



**TROPICANA**  
CORPORATION BERHAD

# REDEFINING THE ART OF LIVING

ANNUAL REPORT  
2015











**TROPICANA**  
CORPORATION BERHAD

Signature Developments

## **TROPICANA GOLF & COUNTRY RESORT**

### **PETALING JAYA**

In 1992, Tropicana made waves in the Malaysian property arena with the introduction of the first resort-themed development. The 625-acre Tropicana Golf & Country Resort is located in the prime suburb of Petaling Jaya and houses the largest 380,000-square foot award-winning Tropicana Clubhouse in Malaysia. Tropicana Golf & Country Resort is a mature and completed township that has become a household name in Petaling Jaya. For more info on Tropicana Clubhouse and its activities, please log on to [www.tropicanagolf.com](http://www.tropicanagolf.com)



**625**  
ACRES











**TROPICANA**  
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## **TROPICANA INDAH RESORT HOMES**

### **PETALING JAYA**

Building on this success formula, Tropicana went on to develop the 409-acre Tropicana Indah Resort Homes that is strategically located next to the prestigious Tropicana Golf & Country Resort. Jointly developed by the Selangor State Development Corporation, Tropicana Indah houses the 18-hole Seri Selangor Golf Course. Tropicana Indah is a completed township encompassing of bungalows, villas, semi-detached houses, exclusive condominiums, business parks, a health centre, a college and an international school.



**TROPICANA  
INDAH**  
RESORT HOMES

**409**  
ACRES





Signature Developments

# TROPICANA AMAN

## KOTA KEMUNING



TROPICANA  
AMAN  
KOTA KEMUNING

**863**  
ACRES

Situated next to the growing affluent neighbourhood of Kota Kemuning, Tropicana Aman encompasses 863 acres of idyllic setting that offers an array of facilities and features such as a generous 85-acre central linear park that comes with its own lake, a 7 km vehicular free bike trail/jogging path and green spaces that draw people into a life of relaxation and peace. In line with the unique DNA of Tropicana, the township also features a central community clubhouse with a sports centre and the TENBY International School. For more info, please log on to [www.tropicanaaman.com.my](http://www.tropicanaaman.com.my)





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# TROPICANA HEIGHTS

## KAJANG



TROPICANA  
HEIGHTS  
KAJANG

**199**  
ACRES

Tropicana Heights encompasses 199 acres of freehold land, replete with lush greenery. Tropicana Heights is anchored by a 16-acre Central Park with a 750 m linear lake, dedicated private community parks, seamless pedestrian walkways, including its very own recreational and commercial hub, all of which are complemented by beautiful landscaping and parkland views. True to the Group's eco-friendly vision, all of its original trees have been retained and transplanted into the green area. For more info, log on to [www.tropicanaheights.com](http://www.tropicanaheights.com)





Signature Developments

# TROPICANA METROPARK

## SUBANG JAYA



TROPICANA  
METROPARK  
SUBANG JAYA

**88**  
ACRES

Set to transform and elevate the vibrancy of Subang Jaya, the 88-acre Tropicana Metropark features a 9.2-acre central park with a man-made lake acting as a 'green lung' to the area, a dedicated jogging and cycling track along with an alfresco F&B strip, proposed mall and the GEMS International School. To enhance the accessibility of this development, Tropicana is also constructing a RM106 million flyover, which will directly link the project to the Federal Highway. For more details, please log on to [www.tropicanametropark.com.my](http://www.tropicanametropark.com.my)





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# TROPICANA GARDENS

## KOTA DAMANSARA



TROPICANA  
GARDENS  
KOTA DAMANSARA

**17**  
ACRES

A first-of-its-kind integrated development designed with a transit-oriented concept, Tropicana Gardens is poised to become Kota Damansara's next urban hub. Directly connected to the elevated Surian Mass Rapid Transit (MRT) station, this 17-acre development features diverse components that include high-rise residences, designer office blocks, proposed hotel towers and a retail mall, all interspersed with lush greenery. For more details, please log on to [www.tropicanagardens.com.my](http://www.tropicanagardens.com.my)





Signature Developments

# TROPICANA THE RESIDENCES

## KUALA LUMPUR CITY CENTRE



**1.3**  
ACRES

Strategically located in the heart of Kuala Lumpur, Tropicana The Residences is poised to become an iconic landmark in Malaysia. Built on a 1.3-acre of freehold land, the 55-storey tower is designed by one of the most renowned award-winning architects, Skidmore, Owings & Merrill (SOM). The Residences will anchor the first five-star W Hotel in Malaysia – a hotel brand which is recognised for its vibrancy, exclusivity and style. For more details, please log on to [www.tropicanatheresidences.com](http://www.tropicanatheresidences.com)





**TROPICANA**  
CORPORATION BERHAD

Signature Developments

# TROPICANA 218 MACALISTER

## PENANG ISLAND



TROPICANA  
**218 Macalister**  
PENANG

**2.1**  
ACRES

Built on a 2.1-acre of freehold land along the famous Macalister Road, Tropicana 218 Macalister is an integrated development comprising serviced residences, office suites, retail units and the Courtyard by Marriott, the first Courtyard Hotel in Malaysia. This exclusive development boasts an overall design and layout that embraces resort-style living, a concept that is synonymous with the Tropicana brand. For more details, please log on to [www.tropicana218macalister.com.my](http://www.tropicana218macalister.com.my)





Signature Developments

# PENANG WORLD CITY

## PENANG ISLAND



**102**  
ACRES

Set to become the next pulse of Penang, the 102-acre Penang WorldCity (PWC) is an integrated waterfront development by Tropicana Group and Ivory Properties Group. Strategically located within Bayan Mutiara, PWC is located at the gateway of Penang Island, right off the iconic Penang Bridge. Working along the tagline of 'For Penang, In Penang, By Penang', this project is aimed at becoming an international gateway for foreign tourists and investors to Penang. For more details, please log on to [www.penangworldcity.com](http://www.penangworldcity.com)





**TROPICANA**  
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# TROPICANA DANGA BAY

## ISKANDAR MALAYSIA, JOHOR



TROPICANA  
DANGA BAY  
ISKANDAR MALAYSIA

**37**  
ACRES

Tropicana Danga Bay is an ambitious and exciting development by Tropicana and Iskandar Waterfront. Its lofty aim is to help transform the 450-acre Danga Bay area into a dazzling waterfront city within the burgeoning Iskandar Malaysia region in Johor. This dynamic project spans 37 acres and offers a holistic blend of upscale lifestyle properties, exclusive office and commercial blocks and a destination shopping mall with a proposed hotel and convention centre. For more details, please log on to [www.tropicanadangabay.com.my](http://www.tropicanadangabay.com.my)





Signature Developments

# TROPICANA DANGA COVE

## ISKANDAR MALAYSIA, JOHOR



**227**  
ACRES

Strategically located at the midpoint of Zone A and Zone D in Iskandar Malaysia, Tropicana Danga Cove (TDC) is a 227-acre freehold, integrated development featuring four signature districts – Riverfront, Business, Park and Market District. With excellent connectivity to three major highways, TDC is set to become the next emerging hub of the eastern corridor. For more details, please log on to [www.tropicanadangacove.com](http://www.tropicanadangacove.com)

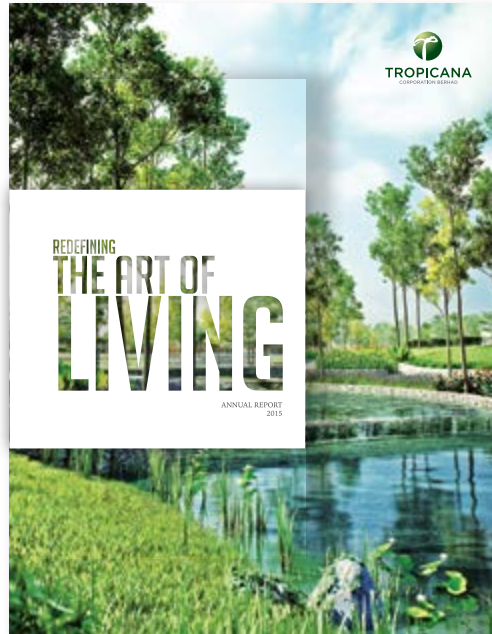




**TROPICANA**  
CORPORATION BERHAD







## REDEFINING THE ART OF LIVING TURNING A VISION INTO A REALITY, ONE DEVELOPMENT AT A TIME

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Since the debut of the Tropicana Golf & Country Resort over two decades ago, Tropicana Corporation Berhad (Group) has continued to set new benchmarks, demonstrating innovative excellence while at the same time, realising our transformational journey of unlocking value of our prime landbanks. Our integrated developments have redefined the art of living while the strength of our brand has delivered positive outcomes that has revitalised the property sector.

The Group's continued progress is based on the unique Tropicana DNA – accessibility, connectivity, innovative concepts and designs, generous open spaces, amenities, facilities, multi-tiered security and quality. As a pioneer in resort-themed developments, Tropicana has since become a household name that is synonymous with savvy property investments. Positive on the future, Tropicana is steadily turning its vision into reality, one development at a time.



# GROWTH ROADMAP

## AT A GLANCE

ACHIEVED TOTAL PROJECT SALES OF  
**RM5.2 BILLION**  
OVER THE PAST 3 YEARS

**42** COMPLETED  
DEVELOPMENTS,  
WITH 15 IN PROGRESS



2016 PLANNED  
LAUNCHES OF  
**RM1.72  
BILLION**

RECORD  
UNBILLED SALES OF  
**RM3.13  
BILLION**  
AS AT END-DEC 2015

TOTAL  
ASSET  
**RM6.0  
BILLION**

TAPPING INTO CURRENT  
AVAILABLE LANDBANK OF  
1,610 ACRES WITH POTENTIAL  
GDV OF MORE THAN  
**RM50.0  
BILLION**



GROUP SHAREHOLDERS'  
FUNDS ROSE 47% FROM  
RM2.1 BILLION IN FY2012 TO  
**RM3.09  
BILLION**  
IN FY2015

NET TANGIBLE  
ASSET PER SHARE  
**RM2.15**  
AS AT 2015

CREATING VALUE, TO BUILD  
**3** INTERNATIONAL  
SCHOOLS  
AT 3 MAIN TOWNSHIPS

GROUP NET GEARING  
IMPROVED FROM  
0.77X IN FY2012 TO  
**0.30X**  
IN FY2015



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Tropicana Avenue, TGC&R



Tropicana always provide lush landscaping for its developments

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## Proxy Form





Tropicana Aman, Kota Kemuning

## OUR VISION

We strive to be the leading property group that delivers innovative and quality products that enhance stakeholders' value.

## OUR BUSINESS PRINCIPLES



### OUR CUSTOMERS COME FIRST

In delivering innovative products and services, we work towards optimum customer satisfaction. We recognise and reward our loyal customers, who are our pillars of strength and a driving force behind the success of our Company.



### OUR PEOPLE ARE OUR GREATEST ASSETS

As a performance-driven organisation, our greatest assets are our people and their dedication to deliver the best. We are not only committed to the growth of our human capital, but we also encourage a culture of excellence and leadership towards greater successes.



### OUR COMMITMENT TO OUR SHAREHOLDERS

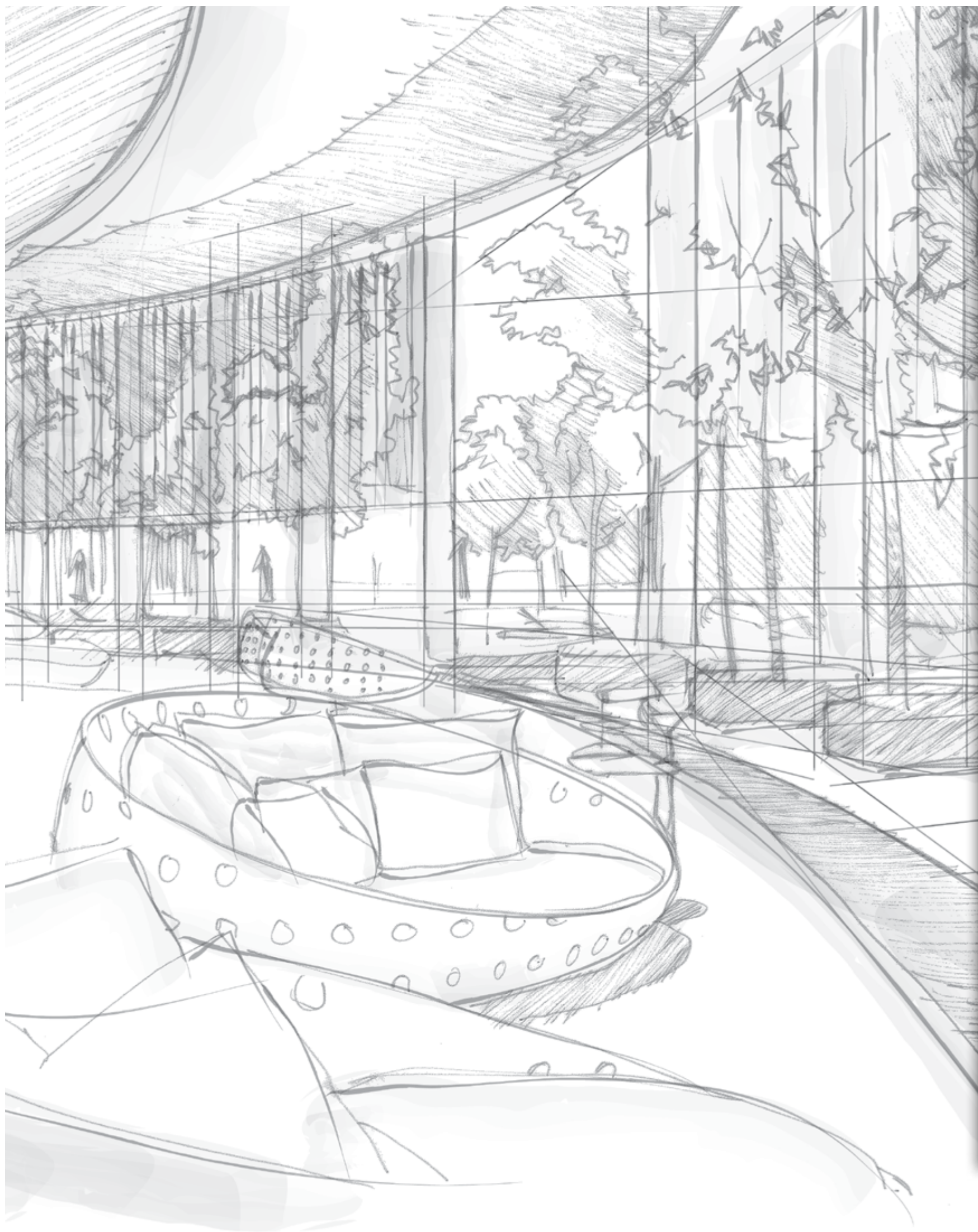
In practicing the principles of good governance, we endeavour to create shareholder value through our sustainable strategies, full accountability, business continuity and profitability.



### OUR TEAMWORK

We have built a nurturing organisation, with shared values and culture, and we are motivated to think and deliver as One Team and One Organisation with One Vision.









# RESTORING A BALANCED LIFESTYLE

Tropicana Aman is the culmination of Tropicana's years of master-planning expertise – a self-contained 863-acre mixed township built upon the Tropicana DNA – creating an ideal quality of life in a secured enclave.

Designed to be a walk-and-bike friendly environment, Tropicana Aman's overall master plan was conceptualised to give residents added value by offering a complete and wholesome living experience. At the heart of this development are its green lung, an 85-acre Central Park and a centrally-located community hub that is essentially the development's Clubhouse. By keeping to the needs of our customers and at the same time ensuring balance with the natural environment is maintained, we have designed a development that has lush green surroundings and a peaceful ambiance, a marked transformation from the former marshland.

Tropicana Aman consists of four residential phases. Its serene and wholesome spirit is captured by its distinctive Yellow Bicycle icon found everywhere throughout the development, constantly reminding one to slow down, breathe in the fresh air, and enjoy life to the fullest within this picturesque haven.

For more info, please log on to [www.tropicanaaman.com.my](http://www.tropicanaaman.com.my)





Artist's impression





Site photo: Work in progress at Tropicana Aman



# ABOUT TROPICANA CORPORATION BERHAD

Incorporated in 1979, Tropicana Corporation Berhad (“Tropicana” or “Group” or “Company”) is a rapidly evolving company with diversified business interests including property and resort development, property investment, resort operations and investment holding. Following the strong performance in its principal business segments, the Company was listed on the Main Board of Bursa Malaysia in 1992. Today, 90% of its Group revenue is generated by property development.

Since its rebranding exercise in 2013, Tropicana continued to build on its reputation for excellence, by building quality homes and integrated developments that reflect the growing aspirations of a broad range of home purchasers across Malaysia. Guided by its unique Tropicana DNA and brand values, Tropicana remains focused on delivering long-term sustainable growth and maximising shareholders value. As an experienced master planner, Tropicana continues its efforts to understand market needs, which in turn, inspires innovation. Fuelled by the Tropicana transformation plan and the unique DNA, the Group has created many memorable milestones as it moves towards realising its vision of becoming a premier property group in Malaysia.

Tropicana Group was incorporated and has since become one of the fastest growing property developers in Malaysia



1979

- Listed on the Main Board of Bursa Malaysia
- TGCR won the prestigious Best Leisure Development in Malaysia, honoured by the highly prestigious FIABCI Malaysia Chapter

1992



Pioneered the concept of resort-themed developments in Malaysia with the introduction of the highly sought after 625-acre Tropicana Golf & Country Resort (“TGCR”), which houses the largest 380,000 square feet award-winning clubhouse

1995

1996



Building on this success, the Group went on to develop 409-acre of Tropicana Indah Resort Homes

1996 - 2009



- Built its first integrated development, Sri Desa condominiums with shop offices at Taman Desa
- Unveiled its first commercial development, Damansara Intan e-Business Park at Petaling Jaya
- Won 10 multiple awards and accolades for its outstanding developments across TGCR and Tropicana Indah townships

2009



Unveiled the nine-acre Tropicana City integrated development encompassing of Tropicana City Mall, Tropicana City Office Tower and Tropics serviced apartments



- The Company's assets increased five-fold from RM500 million to RM2.5 billion, with unbilled sales in excess of RM500 million
- Entered into an agreement with Starwood Hotels & Resorts Worldwide to build the first five-star W Kuala Lumpur Hotel in KLCC
- Entered into a joint venture ("JV") agreement with Ivory Properties Group Berhad to develop mixed residential and commercial properties in Bayan Mutiara, Penang
- Acquired 227 acres of freehold land in Iskandar Malaysia to build Tropicana Danga Cove, a mixed development
- Tropicana unveiled the first property membership card in Malaysia known as Tropicana Privilege Card. A Customer Appreciation Night was held in conjunction with the official launch
- Incorporation of Tropicana Foundation, a charity organisation dedicated to improve the lives of the under-privileged communities



2010

2011

2012

2013

2014

2015

- Achieved a record revenue of RM1.48 billion and record sales of RM2.16 billion
- Tropicana changed its operation name from Dijaya to Tropicana Corporation Berhad
- Official launch of Tropicana Metropark at Subang Jaya and signing ceremony of the direct flyover to Federal Highway
- Tropicana entered into a strategic partnership with Marriott International to develop Courtyard by Marriott, the first Courtyard Hotel in Malaysia
- Tropicana won seven prestigious awards for its projects and for its continuous effort as a community builder in Malaysia
- Tropicana and Ivory Properties Group Berhad marked the beginning of Penang WorldCity by hosting a ground breaking ceremony



- The Company's assets increased more two-fold from RM2.5 billion in 2011 to RM6.0 billion in 2015
- Possessed land bank of more than 1,600 acres with potential GDV of more than RM50 billion
- Achieved total sales of RM1.55 billion, with record high unbilled sales of RM3.13 billion to sustain performance in 2016
- Net gearing improved from 0.77x as at end-2012 to 0.30x in 2015 as a result of the Group's de-gearing initiatives
- Tropicana entered into an agreement with GEMS Education to develop a school campus in Tropicana Metropark, Subang Jaya
- Tropicana entered into an agreement with Tenby Schools to develop an international school campus in Tropicana Aman, Kota Kemuning
- Continues to win prestigious property awards in 2015 such as the BCI Asia Top 10 Developer's Award, Highest Profit Growth Company by The Edge Billion Ringgit Club Award 2015 and Asia Pacific Property Awards 2015



Tropicana's first entry into Johor – to build a 37-acre mixed development known as Tropicana Danga Bay with Iskandar Waterfront Sdn Bhd



- Tropicana amalgamation exercise to consolidate all property development and investment activities into Tropicana Group
- Official launch Tropicana Gardens (first phase) and sold out in two days



- Entered into a JV with HK-listed Agile Property Holdings Ltd to develop Jalan Bukit Bintang land
- Achieved a record revenue of RM1.97 billion and unbilled sales of RM2.7 billion
- Ground breaking ceremony of St Joseph's Institution International School Malaysia (Tropicana PJ Campus), Tropicana's first education project
- Tropicana won 17 prestigious awards for its projects and for its continuous effort as a community builder in Malaysia
- YBhg Tan Sri Dato' Danny Tan was honoured for his outstanding achievements in the property industry by Tatler Malaysia, Asia Pacific Entrepreneur Awards and the Chinese Chamber of Commerce & Industry of Kuala Lumpur & Selangor



# AWARDS AND ACCOLADES 1992-2015



With a credible and established track record in residential and commercial developments in Malaysia, Tropicana has garnered many prestigious industry awards, including:

## 1995

- Tropicana Golf & Country Resort was named the Best Leisure Development in Malaysia by FIABCI Malaysia Chapter

## 1997

- Tropicana Golf & Country Club won the Best Landscape in Selangor, Malaysia by Selangor State Government

## 1997, 1999 to 2006

- Tropicana Golf & Country Club was awarded the Best Clubhouse / Facilities Award in Malaysia by Golf Malaysia

## 2005 & 2006

- Tropicana Golf & Country Club was named the Best Customer Service Club in Malaysia by Golf Malaysia

## 1995, 2003 to 2006

- Tropicana Golf & Country Club won the Best Golf Course in Malaysia by Golf Malaysia

## 2009

- Villa Green semi-detached homes were accorded the Best Residential Development with the highest five-star rating in Malaysia, Best Residential Development in Asia Pacific and Best Residential Development in the World by International Property Awards in association with CNBC

## 2010

- Tropicana Golf & Country Resort was named the Best Golf Development with the highest five-star rating in Malaysia and Best Golf Development 2010 in Asia Pacific by International Property Awards in association with Bloomberg Television

## 2011

- Casa Indah 1 condominiums received the Best Medium-High Cost Apartment Award by Dream Home Award
- Tropicana Grande golf-fronted condominiums was accorded the Best Residential High-Rise Development with the highest five-star rating in Malaysia and Best Residential High-Rise Development in Asia Pacific by International Property Awards in association with Bloomberg Television

## 2012

- Tropicana Corporation Berhad was awarded BCI Asia Top 10 Developers Award by BCI Asia Awards
- Pool Villas three-storey semi-detached homes received the Best Multiple Units Development (Highly Commended) Award in Malaysia by Asia Pacific Property Awards in association with HSBC Bank Malaysia Berhad and the Royal Institute of Chartered Surveyors Asia
- Arnica Residence, Tropicana Gardens at Kota Damansara was named Property of the Year by PropertyTalk & Lifestyle Group Malaysia (PTLM) wholly-owned by the HAI Sdn Bhd, Patchay Urban Research and Patchay Retail Consulting
- Tropicana Metropark, Subang was named Best Development Masterplan of the Year by PropertyTalk & Lifestyle Group Malaysia (PTLM) wholly owned by the HAI Sdn Bhd, Patchay Urban Research and Patchay Retail Consulting





## 2013

- Tropicana was awarded BCI Asia Top 10 Developers Award 2013 by BCI Asia Awards
- Tropicana Metropark, Subang, was awarded the highest five-star rating for Best Mixed Use Development Award (Malaysia) at the Asia Pacific Property Award 2013
- Tropicana was awarded the Power Brand Award 2013 for Organisation, Management and Brand Management
- Tropicana won the Hall of Fame Award at the 9<sup>th</sup> Asia Pacific Super Excellent Award 2013
- Tropicana won The Edge's Most Notable Achievement Award, The Edge Malaysia Top Property Developers' Award (ranked sixth), and The Edge Malaysia Highest Profit Growth Company in Property and REIT category, earning a place in The Edge Billion Ringgit Club Award 2014
- Tropicana was awarded the iProperty.com People's Choice Award for the Best High Rise Development category for Tropicana Metropark's Pandora and Paloma Serviced Residences
- Tropicana won Asia Pacific Entrepreneurship Award (APEA) 2014
- Tropicana The Residences and Tropicana Avenue won the Green Real Estate (GreenRE) Gold Awards
- Tropicana won Brand Excellence for Best Property Property Award while Tropicana's Founder & Advisor, Tan Sri Dato' Danny Tan Chee Sing was awarded Brandpreneur Life Inspired Achievement Award at the BrandLaureate Special Edition World Awards 2015
- Tropicana's Founder & Advisor, Tan Sri Dato' Danny Tan Chee Sing, was honoured with The Edge Malaysia Outstanding Property Entrepreneur Award 2015

## 2014

- Tropicana was awarded BCI Asia Top Developers' Award 2014
- Tropicana won five accolades at the South East Asia Property Awards 2014
- Tropicana Metropark's Property Gallery won Malaysia Institute of Architect's (PAM) 2014 Silver Award for Adaptive Re-use
- Tropicana's Founder & Advisor, Tan Sri Dato' Danny Tan was awarded the Diamond of Excellence Award at the prestigious Annual Tatler Ball 2014

## 2015

- Tropicana Gardens, Kota Damansara obtained highest five-star rating for the best mixed-used development in Malaysia while Tropicana Corporation won the highest five-star rating for Best Developer Website in Malaysia
- Tropicana won BCI Asia Top 10 Developers Award 2015
- Tropicana received the People's Choice Award in Property Development at the Putra Brand Awards 2015
- Tropicana won Best Developer Website Asia Pacific at the International Property Awards Summit 2015
- Tropicana was awarded the Top Ten Property Developer in Malaysia by the Property Insight Prestigious Property Award 2015







# OUR SIGNATURE DEVELOPMENTS

## Tropicana Golf & Country Resort Petaling Jaya, Selangor

### Residential

- Tropicana Grande golf-fronted condominiums
- Casa Tropicana condominiums
- Eva townhouses
- Ana and Bella linked houses
- Cora and Dora semi-detached houses
- Green Acres 1 Gloria and Floria semi-detached houses
- Green Acres 2 linked and semi-detached houses, bungalows as well as prime bungalow lots

### Mixed-use Development and Commercial

- Tropicana Avenue retail, offices and serviced apartments
- Merchant Square shop offices

## Tropicana Indah Resort Homes Petaling Jaya, Selangor

### Residential

- Grand Villas bungalows
- Golf Villas bungalows
- Pool Villas semi-detached houses
- Link Villas linked houses
- Adam and Eve linked houses
- Romeo and Juliet linked houses
- Mustika and Persona linked houses
- Green Haven bungalow lots
- Green Haven 1 resort villas
- Villa Green 1 linked bungalows
- Villa Green 2 semi-detached houses
- Villa Green 3 semi-detached houses
- Casa Indah 1 and 2 condominiums

### Mixed-use Development, Commercial and Education

- Tropicana Gardens Mixed Development, Kota Damansara
- St Joseph Institution International School (PJ Campus)

## Tropicana City Petaling Jaya, Selangor

### Residential

- Tropicana City Tropics serviced apartments
- Casa Damansara 1 and 2 condominiums

### Retail and Commercial

- Tropicana City Mall
- Tropicana City Office Tower
- Damansara Intan e-Business Park

## Other Klang Valley Developments

### Residential

- Tropicana Cheras linked houses, semi-detached houses and bungalows, Cheras, Selangor
- Tropicana Heights mixed-development, Kajang, Selangor
- Fortune Park apartments, Kuala Lumpur
- Casa Kiara 1 and 2 condominiums, Mont' Kiara, Kuala Lumpur\*
- Casa Suites apartments, Petaling Jaya, Selangor

### Mixed-use Development, Commercial, Hospitality and Education

- Tropicana The Residences and W Kuala Lumpur Hotel in Kuala Lumpur City Centre
- TSB Commercial Centre, Sungai Buloh, Selangor
- Tropicana Metropark mixed-development, Subang, Selangor
- GEMS International School at Tropicana Metropark
- Arena Mentari shop offices, Dataran Mentari, Petaling Jaya, Selangor\*\*
- Tropicana Aman mixed-development, Kota Kemuning
- Tenby International School at Tropicana Aman

## Penang, Johor and Sabah Developments

### Residential

- 10 Island Resort condominiums, Batu Ferringhi, Penang\*
- Aston Villa linked houses, semi-detached and shop offices, Bukit Mertajam, Penang
- Tropicana Landmark condominiums, Kota Kinabalu, Sabah
- Tropicana 218 Macalister integrated mixed-development, Penang

### Mixed-use Development

- Penang WorldCity mixed-development, Bayan Mutiara, Penang\*\*\*
- Tropicana Danga Bay mixed-development, Iskandar Malaysia, Johor\*\*\*\*
- Tropicana Danga Cove mixed-development, Iskandar Malaysia, Johor\*\*\*\*
- Tropicana Business Park commercial development, Iskandar Malaysia, Johor

#### Note:

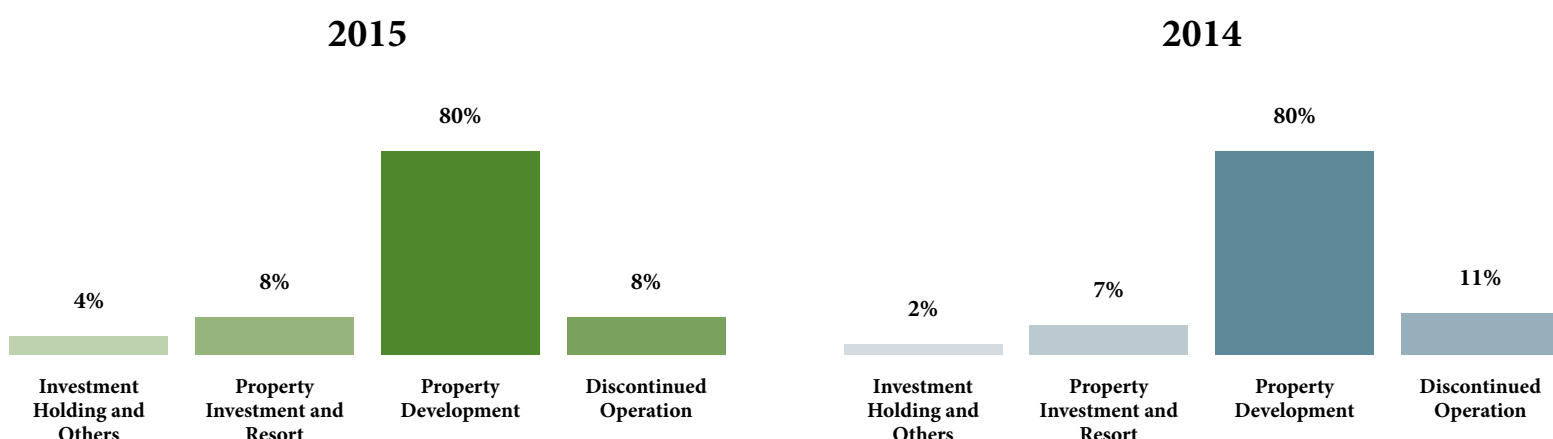
- \* Project Manager
- \*\* Joint-venture project with Aliran Firasat Sdn Bhd
- \*\*\* Joint-venture project with Ivory Properties Group Berhad
- \*\*\*\* A joint-venture project between Tropicana Corporation Berhad and Iskandar Waterfront Sdn Bhd



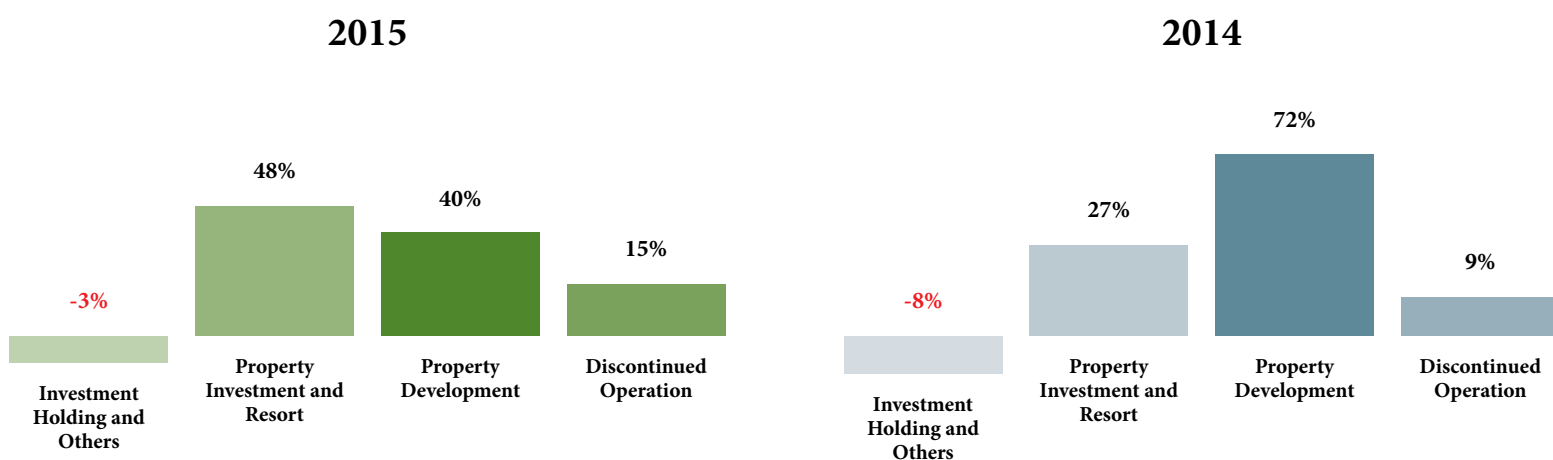
# PERFORMANCE AT A GLANCE

	2015 Segmental Revenue RM'000	2014 Segmental Revenue RM'000	2015 Segmental Operating Profits RM'000	2014 Segmental Operating Profits RM'000
Property Development	1,087,385	1,569,287	125,875	324,395
Property Investment and Resort	111,446	143,354	151,524	122,410
Investment Holding and Others	53,883	46,204	(7,842)	(35,186)
Discontinued Operations	98,990	213,513	43,272	39,837
	1,351,704	1,972,358	312,829	451,456

## SEGMENTAL REVENUE

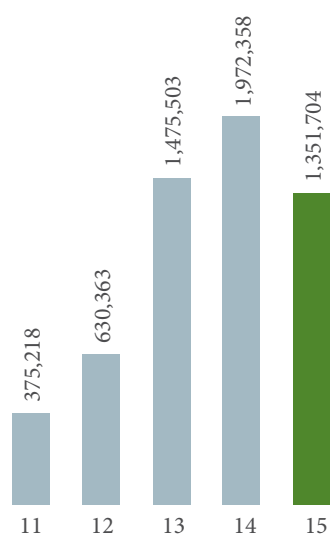
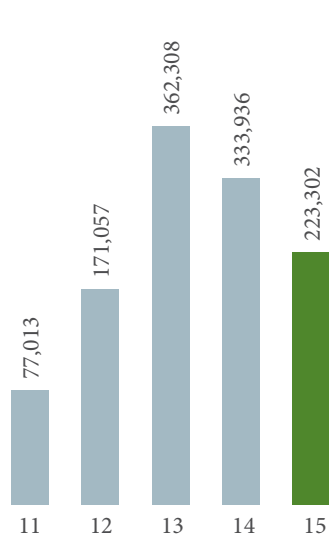
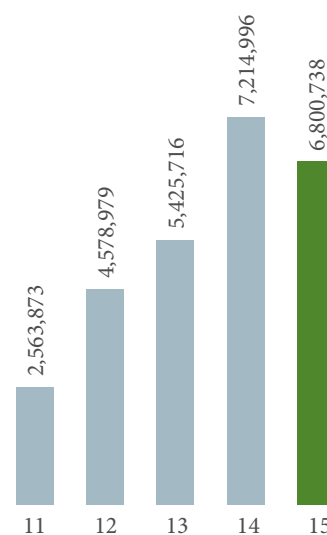
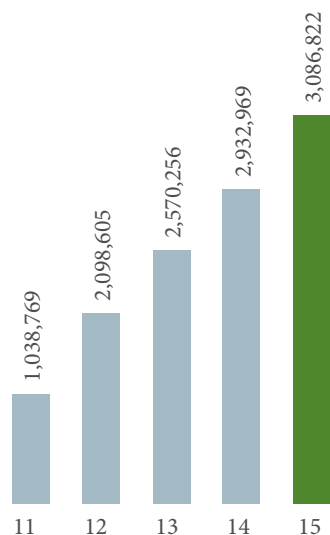
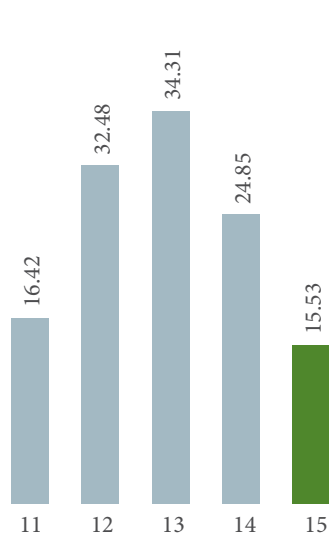
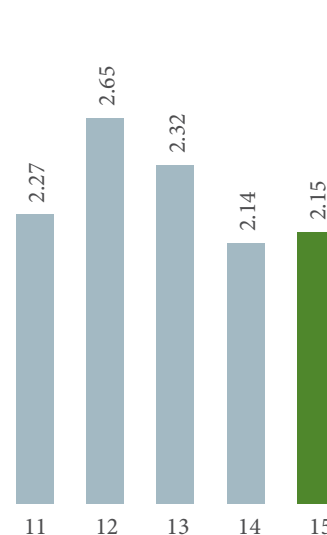


## SEGMENTAL OPERATING PROFITS





Financial Years	2015	2014	2013	2012	2011
Revenue (RM'000)	1,351,704	1,972,358	1,475,503	630,363	375,218
Profit after tax and minority interests (RM'000)	223,302	333,936	362,308	171,057	77,013
Total assets (RM'000)	6,800,738	7,214,996	5,425,716	4,578,979	2,563,873
Shareholders' equity (RM'000)	3,086,822	2,932,969	2,570,256	2,098,605	1,038,769
Earnings per share (sen) (basic)	15.53	24.85	34.31	32.48	16.42
Net assets per share (RM)	2.15	2.14	2.32	2.65	2.27

REVENUE  
(RM'000)PROFIT AFTER TAX AND MINORITY INTERESTS  
(RM'000)TOTAL ASSETS  
(RM'000)SHAREHOLDERS' EQUITY  
(RM'000)EARNINGS PER SHARE  
(SEN) (BASIC)NET ASSETS PER SHARE  
(RM)



# FINANCIAL HIGHLIGHTS & INSIGHTS

## Key Financial Highlights for Financial Year Ended 31 December 2015

- Total sales of RM1.55 billion and high unbilled sales of RM3.13 billion
- Net gearing improved from 0.68x (2014) to 0.30x (2015)
- Total single tier dividend declared for FY2015 of 7 sen per share

## Group Financial Review

RM'000	FY2015	FY2014
<b>Continuing operations:</b>		
Revenue	1,252,714	1,758,845
Profit before tax ("PBT")	269,557	411,619
<b>Profit, net of tax from discontinued operation</b>	<b>39,677</b>	<b>31,499</b>
<b>Profit attributable to owners of the parent ("PATMI")</b>	<b>223,302</b>	<b>333,936</b>

### A. CONTINUING OPERATIONS

Notwithstanding the more challenging market conditions, the Group achieved total development sales of RM1.55 billion for fiscal year 2015, exceeding the previous year's total sales of RM1.49 billion. The stronger sales performance has resulted in the Group's unbilled sales reaching a record high of RM3.13 billion, placing it in a comfortable position to deliver sustainable earnings performance in the current year.

Group revenue in the full financial year ("FY") ended 31 December 2015 stands at RM1.25 billion compared to RM1.76 billion in FY2014. Included in the revenue were land sales of RM106.8 million in FY2015 and RM477.4 million in FY2014 respectively. Excluding the land sales, performance was in line with expectations with revenue contribution driven by steady construction progress from the Group's ongoing developments.

For the year, Group PBT decreased to RM269.6 million from RM411.6 million in FY2014, whilst net profit attributable to shareholders in FY2015 was RM223.3 million compared with RM333.9 million in FY2014. The lower Group PBT was mainly due to lower gains from land sales (2015: RM15.9 million; 2014: RM171.7 million); lower fair value gains from investment properties (2015: RM3.3 million; 2014: RM22.1 million) mitigated by higher gains from disposals of investment properties (2015: RM126.0 million; 2014: RM62.2 million).

The Group PATMI was contributed by strong performance in the Property Development segment of our on-going development projects and sales of parcels of land and investment properties. The Group has paid two interim single tier dividends for FY2015 amounting to 7sen per share, translating to a dividend yield of 6.9% (based on Tropicana's share price of RM1.01 per share).

Detailed analysis of the various business segments are as follows:

### PROPERTY DEVELOPMENT

The Group's revenue from the Property Development segment decreased by 30.7% or RM481.9 million to RM1,087.4 million from RM1,569.3 million in FY2014. The segment operating profit was lower by 61.2% or RM198.5 million to RM125.9 million from RM324.4 million in FY2014. The lower revenue and operating profit were mainly due to lower revenue (2015: RM106.8 million; 2014: RM477.4 million) and lower gains (2015: RM15.9 million; 2014: RM171.7 million) from land sales.



## PROPERTY INVESTMENT & RESORT

The Group's revenue from the Property Investment & Resort segment recorded at RM111.4 million as compared to RM143.3 million in FY2014, decreased by RM31.9 million or 22.2%. The lower revenue was due to the disposal of several investment properties during the year. However, the disposal of these same properties led to a higher segmental profit for FY2015 at RM151.5 million compared to RM122.4 million in FY2014 which was a 23.8% increase. The gains from the sales of these investment properties was RM126.0 million in FY2015 compared to RM62.2 million in FY2014.

Overall, the earnings from this segment continue to remain at a sustainable level through recurring incomes of its remaining investment properties.

## INVESTMENT HOLDINGS & OTHERS

The Group's revenue from this segment recorded at RM53.9 million in FY2015 as compared to RM46.2 million in FY2014; increased by RM7.7million or 16.7%. The major contributors are from a few subsidiaries namely Tropicana Building Materials Sdn. Bhd. and Tropicana Innovative Landscape Sdn. Bhd., which became more active in FY2015.

As a result, the segmental loss has improved to RM7.8 million in FY2015 from a loss of RM35.2 million in FY2014; improved by 77.8% or RM27.4 million.

## B. DISCONTINUED OPERATION

Towards the end of the second quarter of FY2015, the Group disposed of a 73% owned subsidiary company namely Tenaga Kimia Sdn Bhd and its group of companies. The Group's profits from this discontinued operation recorded at RM39.7 million in FY2015 compared to RM31.5 million in FY2014. Included in the profits in FY2015 is the gain of disposal of RM27.5 million.

## Group Capital Structure

RM'000	FY2015	FY2014
Shareholders' Fund	3,086,822	2,932,969
Gross Borrowings	1,753,442	2,437,968
Cash	837,493	452,627
Net Borrowing	915,949	1,985,341
Gross Gearing ratio	0.57	0.83
Net Gearing ratio	0.30	0.68
Net Assets Per Shares (RM)	2.15	2.14

The shareholders' equity of the Group improved by 5.2% or RM153.8 million to RM3,086.8 million as at 31 December 2015. The improvement was mainly due to satisfactory operational performance and retention of current year profits.

The Group's financial position has strengthened considerably, with net gearing at the end of December 2015 brought lower to 0.30 times, a marked improvement from 0.68 times registered at the end of December 2014. Proceeds from the Group's strategic disposal of its non-core assets and investment properties has reduced net borrowings by half from RM2.0 billion as at the end of 2014 to RM0.9 billion as at the end of 2015.

The Group is expected to continue its satisfactory performance in year 2016 amid a more challenging business environment driven by the momentum created from the Group's stellar performance in FY2015 and the various pipelines of on-going projects. The Group will carry on with its strategy to unlock the value of its 1,600 acres of prime land that has potential Gross Development Value in excess of RM50 billion. Property development remains the core focus, with planned launches in 2016 worth an estimated RM1.7 billion primarily in the Central and Northern regions. Albeit that the market continues to face headwinds, the Group believes it has the right product mix to appeal to the broad market, where there is sustainable demand for landed properties and integrated developments in good locations, great accessibility and attractive pricing. The Group's integrated township development in the Central region continues to draw healthy interest. New launches such as Tropicana Aman in Kota Kemuning and Tropicana Heights in Kajang attracted good take-up rates from buyers.





Tropicana Gardens, Kota Damansara



# CORPORATE STRUCTURE OF TROPICANA GROUP

## Property Development, Property Investment, Property Management and Resort Operations

Advent Nexus Sdn Bhd • 100%

Bakat Rampai Sdn Bhd • 100%

- Dicorp Land Sdn Bhd • 100%
- Tropicana City Sdn Bhd • 100%
  - > Dicasa Management Services Sdn Bhd • 100%
  - > Tropicana City Management Sdn Bhd • 100%
  - > Tropicana City Parking Sdn Bhd • 100%
  - > Tropicana Kajang Hill Sdn Bhd • 100%
- Tropicana Indah Realty Sdn Bhd • 100%
  - > Tropicana Indah Sdn Bhd • 70%

Daya Petaling Sdn Bhd • 100%

Sapphire Index Sdn Bhd • 100%

- Sapphire Step Sdn Bhd • 100%

Tropicana Bukit Bintang Development Sdn Bhd • 100%

Tropicana Coliseum (Ipoh) Sdn Bhd • 100%

Tropicana Cheras Sdn Bhd • 100%

Tropicana Danga Bay Land Sdn Bhd • 100%

- Tropicana Danga Bay Sdn Bhd • 60%
  - > Tropicana Danga Bay Pte Ltd • 100%
- Desiran Realiti Sdn Bhd • 100%

Tropicana Danga Cove Holding Sdn Bhd • 100%

- Tropicana Danga Cove Sdn Bhd • 50%

Tropicana Danga Lagoon Sdn Bhd • 80%

- Tropicana Lagoon Sdn Bhd • 100%

Tropicana Danga Senibong Holding Sdn Bhd • 100%

- Tropicana Danga Senibong Sdn Bhd • 70%

Tropicana Development (Johor Bahru) Sdn Bhd • 100%

Tropicana Development (Penang) Sdn Bhd • 100%

- Tropicana Ivory Sdn Bhd • 55%
  - > Tropicana Ivory Realty Sdn Bhd • 100%

Tropicana Development (Sabah) Sdn Bhd • 100%

Tropicana Golf & Country Resort Berhad • 100%

- Tropicana Desa Mentari Sdn Bhd • 100%
- Tropicana Management Services Sdn Bhd • 100%
- Tropicana Sungai Buloh Sdn Bhd • 100%

Tropicana Harapan Sdn Bhd • 100%

Tropicana Jaya Sdn Bhd • 100%

Tropicana Kemayan Development Sdn Bhd • 100%

Tropicana KL Development Sdn Bhd • 100%

Tropicana Lahad Datu Development Sdn Bhd • 100%

Tropicana Land Sdn Bhd • 100%

Tropicana Land (Sandakan) Sdn Bhd • 100%

Tropicana Landmark Sdn Bhd • 100%

Tropicana Lido Development Sdn Bhd • 100%

Tropicana Macalister Avenue (Penang) Sdn Bhd • 100%

Tropicana Metro Sdn Bhd • 100%

Tropicana Metropark Sdn Bhd • 100%

- Noble Kinetic Sdn Bhd • 100%

Tropicana Mentari Development Sdn Bhd • 100%

Tropicana Plaza Sdn Bhd • 100%

Tropicana Properties (Keningau) Sdn Bhd • 100%

Tropicana Properties (Klang) Sdn Bhd • 100%

Tropicana Properties (Sabah) Sdn Bhd • 100%

Tropicana Properties (Sandakan) Sdn Bhd • 100%

Tropicana Property Management Sdn Bhd • 100%

Tropicana Properties Odeon Sdn Bhd • 100%

Tropicana Rahang Development Sdn Bhd • 100%

Tropicana Residences Sdn Bhd • 100%

Tropicana Resort Holding Sdn Bhd • 100%

- Tropicana Danga Bay Resort Sdn Bhd • 60%

Tropicana Serdang Suria Sdn Bhd • 100%

Tropicana Tawau Development Sdn Bhd • 100%

Tropicana Wisma TT Sdn Bhd • 100%

## Other Investments

Arah Pelangi Sdn Bhd • 100%

Arena Influx Sdn Bhd • 100%

Kuasa Cekapmas Sdn Bhd • 100%

- Antara Tuah Sdn Bhd • 100%

Sumber Saujana Sdn Bhd • 100%

- Tropicana Saujana Sdn Bhd • 100%  
(fka Tropicana Tenaga Kimia Sdn Bhd)

Supreme Converge Sdn Bhd • 100%

- Agile Tropicana Development Sdn Bhd • 30%

Terbit Berkas Sdn Bhd • 100%

Tropicana Building Materials Sdn Bhd • 100%

Tropicana Credit & Leasing Sdn Bhd • 100%

Tropicana Collections (MM2H) Sdn Bhd • 100%

Tropicana Corporate Solutions Sdn Bhd • 100%  
(fka Tropicana Kepong Sdn Bhd)

Tropicana Development (Sg Besi) Sdn Bhd • 100%

Tropicana Education Management Sdn Bhd • 85%

Tropicana Holding (Hong Kong) Limited • 100%

Tropicana Innovative Landscape Sdn Bhd • 100%

Tropicana Investment Consulting Pte Ltd • 100%

Tropicana Jalan Selangor Development Sdn Bhd • 100%

Tropicana Kia Peng Sdn Bhd • 100%

Tropicana KK City Sdn Bhd • 100%

Tropicana Lintas Development Sdn Bhd • 100%

Tropicana Properties Ampang Sdn Bhd • 100%

Tropicana Properties (Puchong) Sdn Bhd • 100%

Tropicana Sadong Jaya Development Sdn Bhd • 100%

Tropicana Senibong Sdn Bhd • 100%

Tropicana SJII Education Management Sdn Bhd • 51%

Tropicana Subang South Development Sdn Bhd • 100%

Tropicana Technology Sdn Bhd • 100%  
(fka Master Converge Sdn Bhd)

Ultimate Support Sdn Bhd • 100%

Definition : "fka" – formerly known as  
As at 14 April 2016



# CORPORATE INFORMATION



Tropicana Gardens, Kota Damansara

## BOARD OF DIRECTORS

<b>Tan Sri Rastam Bin Mohd Isa</b>
(Independent Non-Executive Chairman)
<b>Datuk Seri Mohamad Norza Bin Zakaria</b>
(Independent Non-Executive Deputy Chairman)
<b>Dato' Yau Kok Seng</b>
(Group Chief Executive Officer)

<b>Dato' Dickson Tan Yong Loong</b>
(Deputy Group Chief Executive Officer)
<b>Dillon Tan Yong Chin</b>
(Executive Director)
<b>Dion Tan Yong Chien</b>
(Executive Director)

<b>Tan Sri Othman Bin Abd Razak</b>
(Independent Non-Executive Director)
<b>Dato' Gan Nyap Liou @ Gan Nyap Liow</b>
(Senior Independent Non-Executive Director)
<b>Datuk Michael Tang Vee Mun</b>
(Independent Non-Executive Director)



**AUDIT COMMITTEE**

Datuk Seri Mohamad Norza Bin Zakaria  
(Chairman)  
Datuk Michael Tang Vee Mun  
Dato' Gan Nyap Liou @ Gan Nyap Liow

**RISK MANAGEMENT COMMITTEE**

Datuk Michael Tang Vee Mun (Chairman)  
Datuk Seri Mohamad Norza Bin Zakaria  
Dato' Yau Kok Seng  
Dato' Dickson Tan Yong Loong  
Dion Tan Yong Chien

**NOMINATION COMMITTEE**

Dato' Gan Nyap Liou @ Gan Nyap Liow  
(Chairman)  
Datuk Seri Mohamad Norza Bin Zakaria  
Datuk Michael Tang Vee Mun

**REMUNERATION COMMITTEE**

Dato' Gan Nyap Liou @ Gan Nyap Liow  
(Chairman)  
Datuk Seri Mohamad Norza Bin Zakaria  
Datuk Michael Tang Vee Mun  
Dato' Dickson Tan Yong Loong  
Dion Tan Yong Chien

**EXECUTIVE COMMITTEE**

Datuk Seri Mohamad Norza Bin Zakaria  
(Chairman)  
Dato' Yau Kok Seng  
Dato' Dickson Tan Yong Loong  
Dillon Tan Yong Chin  
Dion Tan Yong Chien

**PRICING COMMITTEE**

Dato' Gan Nyap Liou @ Gan Nyap Liow  
(Chairman)  
Datuk Michael Tang Vee Mun  
Dato' Yau Kok Seng  
Dato' Dickson Tan Yong Loong  
Dion Tan Yong Chien

**HEAD OFFICE**

Level 7, 9, 10, 11 & 12  
Tropicana City Office Tower  
No. 3, Jalan SS 20/27  
47400 Petaling Jaya  
Selangor Darul Ehsan  
Malaysia  
Telephone: 03-7710 1018  
Facsimile: 03-7710 1025

**AUDITORS**

Ernst & Young  
Chartered Accountants  
Level 23A, Menara Milenium  
Jalan Damanlela  
Pusat Bandar Damansara  
50490 Kuala Lumpur  
Malaysia  
Telephone: 03-7495 8000  
Facsimile: 03-2095 9076

**COMPANY SECRETARY**

Teh Peng Peng (MAICSA 7021299)

**PRINCIPAL BANKERS**

Alliance Bank Malaysia Berhad  
AmBank (M) Berhad  
Affin Bank Berhad  
Bank of China (Malaysia) Berhad  
CIMB Bank Berhad  
Malayan Banking Berhad  
OCBC Bank (Malaysia) Berhad  
Public Bank Berhad  
RHB Bank Berhad  
Standard Chartered Bank Berhad  
HSBC Bank Malaysia Berhad

**STOCK EXCHANGE LISTING**

Main Market  
Bursa Malaysia Securities Berhad

Stock name: TROP

Stock code: 5401

**REGISTERED OFFICE**

Lot LG-A1, Lower Ground Floor  
Tropicana City Mall  
No. 3, Jalan SS 20/27  
47400 Petaling Jaya  
Selangor Darul Ehsan  
Malaysia  
Telephone: 03-7713 8288  
Facsimile: 03-7713 8228

**SHARE REGISTRAR**

Symphony Share Registrars Sdn Bhd  
Level 6, Symphony House  
Pusat Dagangan Dana 1  
Jalan PJU 1A/46  
47301 Petaling Jaya  
Selangor Darul Ehsan  
Malaysia  
Telephone: 03-7841 8000  
Facsimile: 03-7841 8151 / 8152  
Helpdesk: 03-7849 0777

**WEBSITE**

[www.tropicanacorp.com.my](http://www.tropicanacorp.com.my)

**EMAIL**

[corpcomm@tropicanacorp.com.my](mailto:corpcomm@tropicanacorp.com.my)



Tropicana 218 Macalister, Penang



# COMMITMENT TO EXCELLENCE

Throughout 2015, Tropicana Corporation Berhad continued to build on its reputation for excellence, building quality resort-themed homes and integrated developments that reflect the growing aspirations of a broad range of home purchasers across Malaysia and the region. Our position was further cemented by winning several key industry awards, both for the company and outstanding individuals.



YBhg Tan Sri Dato' Danny Tan (centre), Founder & Advisor of Tropicana receiving the prestigious award from YBhg Tan Sri Dato' Seri Dr Aseh Che Mat (second from left), Chairman of The BrandLaureate. The award presentation was also witnessed by Mr Dion Tan (far left), Executive Director of Tropicana; YAM Tunku Datuk Dr Hajah Sofiah Jewa, Founder of the Tun Suffian Foundation (second from right) and Dr KK Johan, President of The BrandLaureate (far right)



## BRANDLAUREATE SPECIAL EDITION WORLD AWARDS 2015

**Tropicana Wins The Brandpreneur Life Inspired Achievement Award**

YBhg Tan Sri Dato' Danny Tan Chee Sing, Tropicana's Founder & Advisor, was honoured with the Brandpreneur Life Inspired Achievement Award while Tropicana took home the Brand Excellence Award for Best Property 2015.

The BrandLaureate Special Edition World Awards 2015 was introduced by BrandLaureate in conjunction with its 10<sup>th</sup> Anniversary celebrations.



## THE EDGE PROPERTY EXCELLENCE AWARDS 2015

**Tropicana Wins The Edge Malaysia Outstanding Property Entrepreneur Award**

Tropicana's Founder & Advisor, YBhg Tan Sri Dato' Danny Tan Chee Sing was honoured with The Edge Malaysia Outstanding Property Entrepreneur Award 2015 at The Edge Property Excellence Awards 2015 gala dinner. The award was bestowed on Tan Sri Dato' Danny Tan for his enduring passion and innovative mindset, guiding Tropicana from its pioneer development to developing thriving integrated developments townships nationwide.

The award, first introduced in 2012, honours industry captains who have made significant and outstanding contributions in growing his Company into a dynamic player at the forefront of the industry.



YBhg Tan Sri Dato' Danny Tan (centre), Founder & Advisor of Tropicana receiving the prestigious award from Ho Kay Tat (right), CEO of The Edge Media Group; witnessed by Au Foong Yee (left), Managing Director of The Edge Communications





## THE EDGE BILLION RINGGIT CLUB AWARDS 2015

### Tropicana Wins the Highest Profit Growth Company

Tropicana was awarded The Edge Billion Ringgit Club Award 2015 for the Highest Profit Growth Company in the Property and REIT category, for the second year in the row.

The Award recognises companies with a market capitalisation of RM1 billion and above as of 31 March each year. Shortlisted companies, which are added into the annual list automatically once they fulfil the requirements, were evaluated based on growth in profit before tax, returns to shareholders and corporate social responsibility commitments.

## BCI ASIA TOP 10 DEVELOPERS' AWARD 2015

### Tropicana Wins the BCI Asia Top 10 Developers' Award for third consecutive year



Tropicana took home the BCI Asia Top 10 Developers' Award 2015 for the third consecutive year. The award reinforced Tropicana's long-standing experience in creating innovative developments that cater to the needs of its customers and the market. A regional event, it was attended by the industry's top architects and building professionals from Hong Kong SAR, Indonesia, Malaysia, the Philippines, Singapore, Thailand and Vietnam.



## THE GREENRE GOLD AWARDS 2015

### Tropicana Wins Gold in The GreenRE Awards 2015

Tropicana's The Residences and Tropicana Avenue at Tropicana Golf & Country Resort received the GreenRE Gold Award. GreenRE is essentially a rating tool introduced by the Real Estate Housing Developer's Association Malaysia (Rehda) to encourage the industry towards more sustainable practices.

## ASIA PACIFIC PROPERTY AWARDS 2015 AND INTERNATIONAL PROPERTY AWARDS SUMMIT 2015

### Tropicana Wins Best Developer Website Award and Best Mixed-Used Development Award



Tropicana garnered attention at the Asia Pacific Property Awards 2015, with Tropicana Gardens, Kota Damansara receiving the highest five-star rating for the best mixed-used development in Malaysia while Tropicana Corporation won the highest five-star rating for Best Developer Website Malaysia.

Highest scoring winners from each region, including winners of the Asia Pacific Property Awards 2015 were automatically entered into the overall International Awards finale, which ultimately determines the world's finest property companies. The International Property award recognises best residential and commercial properties from around the world, celebrating highest levels of achievement of companies across all sectors of the property and real estate industry. An International Property Award is a world-renowned mark of excellence.



## PUTRA BRAND AWARDS

### Tropicana ranked top three for the People's Choice Award

Tropicana was awarded the Bronze Award in Property Development for the People's Choice Award at the Putra Brand Awards, thus recognising the Company's brand building efforts as well as innovative development concepts introduced to customers.

The Putra Brand Awards is a brand valuation award measured by consumer preferences, organised by the Association of Accredited Advertising Agents of Malaysia (4As) and endorsed by the Malaysian External Trade Development Corporation (MATRADE).

## PROPERTY INSIGHT TOP 10 DEVELOPER AWARD 2015

### Tropicana won the Top 10 Developer Award



Tropicana won the Top 10 Developer Award at inaugural Prestigious Developer Awards organised by Property Insight Malaysia. Judging criteria was based on developers' EBITDA data, market capitalisation, gross development value, brand value and brand awareness. The judging panel consisted of the Malaysian Property Investors Association (MPIA), Property Insight editorial team as well as the readers of Property Insight.



# TROPICANA IN THE NEWS

## Growing In Strength: Innovation & Quality

Over 20 years of experience in the property development scene has led to the extraordinary award-winning company that Tropicana Group is now known for.



REDEFINING THE ART OF LIVING

A Distinctive Premier Developer

Stories by CATELYN NG LI YUN

W/In shades of green that inspire ideas of nature and growth, as well as the distinctive "T" mark, Tropicana Corporation Berhad ("Tropicana" or "Group") is no stranger in the property arena.

These names are renowned as one of the leading property developers in Malaysia and their brand is synonymous with innovative designs and quality. Each year end marks another important milestone in their continuous commitment to putting their customers' needs from over 22 countries at the forefront of what they do.

A transformation from a mid-tier developer into one with an impressive track record, Tropicana has managed to reap many prestigious industry awards under their belt. Their strategy for success, although straightforward, is by no means simple. Strong premier systems, innovative building concepts and natural living quality to the customers.

Tropicana's humble beginnings were in 1992, when they launched the exclusive 252-9-hectare Tropicana Golf & Country Resort and the 160.5-hectare Tropicana Indah Ancor Homes. Back then, they were known as Dajia Corporation Berhad, and they had pioneered the concept of resort-style living residential property developments.

Over the years, the name "Tropicana" has grown exponentially until it became the Group's signature, and many of the successful developments proudly carry the Tropicana brand name.

## Tropicana posts 3-fold increase in net profit

**PETALING JAYA:** Property developer Tropicana Corp Bhd posted more than three-fold increase in net profit to RM151.8m in the third quarter ended Sept 30 compared with a year ago on a gain from the disposal of a subsidiary.

The company said in a filing with Bursa Malaysia that revenue decreased 18.7% to RM244.6m compared with the same quarter a year ago on lower work in progress for its property development segment, as a number of the projects were in the early stages of construction.

## 麗陽與Tenby簽約 在哥打哥文寧建學校



雙方代表簽約後合影，左三起為林時文、陳永隆，右三起為馬凱魯、游國成、并由陳志威（中）為其做見證。

## 丽阳机构反弹试叩 RM1.25



## CapitaMalls buys Tropicana City Mall for RM565m

**KUALA LUMPUR:** CapitaMalls Malaysia Trust (CMMT) is buying Tropicana City Mall from Tropicana City Sdn Bhd for RM565 million, including acquisition fees.

The property comprises a four-storey shopping mall with a four-level car park and a 12-storey office building.

The acquisition will increase CMMT's property asset value by 16.7 per cent to about RM3.4 billion from RM2.2 billion currently.

CMMT's visibility among local and international investors to support its future growth," the company said in a statement yesterday.

"The proposed acquisition will further strengthen CMMT's position as a credible, geographically diversified shopping mall real estate investment trust in Malaysia," it added.

The retail mall and the office tower have a net lettable area of 448,248 sq ft and 101,344 sq ft, respectively.

committed occupancy rate of 89 per cent while the office tower which started operations in 2009, fully occupied.

CMMT said it planned to finance the acquisition through debt and equity fund-raising, via the issue of new units, with the prospectus of the financing to be determined later.

The company's current ratio based on the latest audited financial statements, as at December 31, 2011, was 1.01.

## Raising Kajang's real estate pulse

**EXCLUSIVE DEVELOPMENT:** Tropicana Heights specially created as a resort gateway

**KAJANG:** Tropicana is set to be a property player with the upcoming Tropicana Heights development.

It is a 100-acre development of 1,000 units and is one of the largest projects identified by the National Housing Board (NHB) for development.

## Tropicana introduces the 'yellow bicycle'

> Ideal living environment for the nature buff



"Building and living community" and its slogan depicts a lifestyle down on nature.

Added Tropicana head of marketing and sales Ong Lay Ting, "Tropicana Aman is a well-considered planned township.

development offering an array of facilities and features such as a green space, a semi-central linear park and a lake, a five-minute walk from the multi-lane path. This move is not just to promote our Tropicana Aman development but to also encourage a healthier and sustainable lifestyle.

Tropicana Aman is set to be a sustainable place where you can find nature in the heart of the city. The 'yellow bicycle' logo development is a symbol of the 'yellow bicycle' concept, which is a symbol of a healthy and sustainable lifestyle.

Sharon, left, and participants in the 'yellow bicycle' concept.

## Tropicana Aman 別有洞天 歇腳處

**馬六甲直轄:** 經過多年發展，馬六甲直轄地區已成為一個繁榮的商業中心。馬六甲直轄地區的房地產市場也日益活躍。

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## Tropicana Metropark perbandaran bersepadu



Tropicana Metropark adalah perbandaran bersepadu yang membolehkan orang ramai menikmati alam sekitar yang indah dan segar dalam suasana yang tenang.

## RM2.3j buat 6 pemenang

**Kuala Lumpur:** Tropicana Corporation Berhad mengumumkan hadiah bernilai lebih RM2.3 juta kepada enam pemenang bertamunya sempena kempen Tropicana Pelaburan Tropicana.

Kempen Pemasaran dan Jualan Tropicana, Ulu Tenggol Berkata, kejayaan kempen itu bukan sahaja mengukuhkan lagi hubungan antara Tropicana dengan pelanggannya, malah dapat memberi sesuatu yang bernilai sebagai ganjaran.

"Kami memperuntukkan masa berminggu untuk menilai keputusan pelanggan yang menyertai kempen terbahari sekali gus memahami apa yang diinginkan oleh mereka untuk melabur dalam hartanah Tropicana."

"Kempen pelaburan ini adalah sebahagian daripada inisiatif syarikat dan untuk terus berhubung dengan pelanggan serta komuniti kami menerusi platform digital dan dalam talian," katanya, baru baru ini.

Kempen Tropicana Pelaburan ini dilancarkan pada 6 Mac dan berakhir 16 April 2015 selain dipaparkan selama enam minggu menerusi Facebook Tropicana. Peserta perlu memilih hartanah Tropicana kegemaran mereka



ENAM pemenang bertam dengan pembelian rumah mewah Tropicana.

## Nadi komersial

■ Karnival Musim Panas beri peluang orang ramai lihat taman di Central Park



Karnival Musim Panas Tropicana memberi peluang orang ramai melihat taman di Central Park.

## Property tycoon Danny Tan retires

BY AHMAD NAQIB IDRIS

**KUALA LUMPUR:** Tycoon Tan Sri Danny Tan Chee Sing has retired as group executive vice-chairman of Tropicana Corp Bhd, a company he founded 36 years ago. Danny Tan will hand over the reins to his son Datuk Dickson Tan, the deputy group chief executive officer (CEO), and group CEO Datuk Yau Kok Seng, who will be in charge of day-to-day operations.

Under Danny Tan's guidance, Tropicana has made its place among the top 10 property developers in Malaysia, with a record revenue of close to RM2 billion and total assets over RM7.2 billion as at Dec 31, 2014.

"I have turned 60 this year, and after having dedicated more than

of leadership," said Danny Tan in a statement yesterday.

"Both Yau and Dickson have been instrumental in formulating and leading the transformation journey of the group. Together with the other board members and senior management team, I have full confidence that they can effectively lead Tropicana to greater heights," Danny Tan said.

He is still the controlling shareholder of Tropicana.

"While the board of directors respects Tan Sri Danny's decision to retire from an active corporate role in the company, we take comfort in the knowledge that we will continue to have his advice and guidance at all times, as we endeavour to take the Tropicana group to a higher level and in its position as a premier property developer in Malaysia," said Tropicana chairman Tan Sri Rastam Mohd Isa in the statement.

Meanwhile, the group has stream-



Danny Tan (left) and his son Dickson Tan. Under Danny's guidance, Tropicana has made its place

## Tropicana The Residences

## WOW設計理念篇

「WOW」是Tropicana The Residences的核心理念，它代表了Tropicana在建筑设计上的创新和追求。Tropicana The Residences是一个集住宅、商业、休闲于一体的综合发展项目，旨在为居民提供高品质的生活体验。

## Founder stays committed to Tropicana

**PETALING JAYA:** Tan Sri Danny Tan Chee Sing said the future of Tropicana Corp Bhd will remain important for him despite relinquishing the management role in the group, effective yesterday.

Tropicana surprised the market yesterday when it announced the retirement of Danny, 60, as group executive vice-chairman.

Danny, who founded the group in 1979, passed the baton to group chief executive officer (CEO) Datuk Dickson Tan, who is his eldest son.

The company's stock closed one penny higher at RM6.03 yesterday.

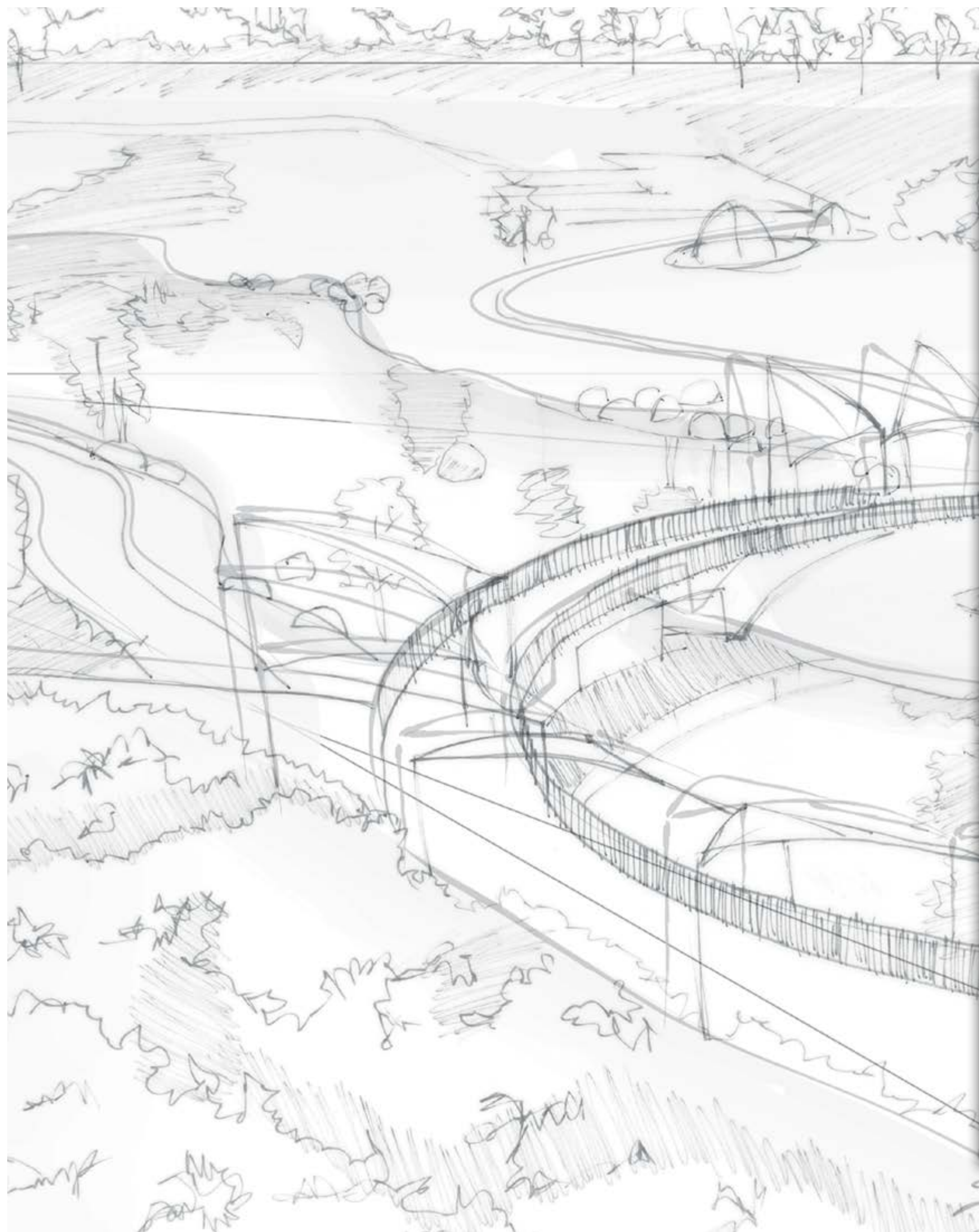
Danny, who holds a 38.46 per cent direct in-

## Tropicana still close to Tan's heart

TROPICANA Corp founder Tan Sri Danny Tan Chee Sing (pic), who surprised the market yesterday











# REESTABLISHING THE NATURAL FLORA AND ECOSYSTEM

Built on what was formerly the Kajang Hill Golf Club, Tropicana Heights is another prime example of Tropicana's wholesome and holistic master planning expertise, which anchors residential precincts around a central park to nurture a strong community spirit that shares a common sense of place. Tropicana Heights transformed a 199-acre golf course into a resort homestead where the efforts were taken towards re-establishing the natural flora and ecosystem. Even the native trees have been replanted into its central park, in line with our focus of harmonising our development with the ecosystem. This development is expected to enhance the rapid growth of Kajang, one of the key areas identified by the Economic Transformation Plan's development of Greater Kuala Lumpur.

Tropicana Heights features a 16-acre Central Park with a 750m linear lake, dedicated private community parks, seamless tree-lined pedestrian walkways, its very own recreational and commercial hub, all of which are complemented by beautiful landscaping and parkland views.

For more info, log on to [www.tropicanaheights.com](http://www.tropicanaheights.com)





Artist's impression





Site photo: The newly completed Central Park



# CHAIRMAN'S STATEMENT

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## YBHG TAN SRI RASTAM MOHD ISA



“

Guided by the Tropicana unique DNA and the spirit of innovation, we will forge ahead in redefining the art of living. We are confident of taking our performance up to the next level, thus reaffirming our goal of delivering real value to our stakeholders.

”

On behalf of the Board of Directors (“Board”) of Tropicana Corporation Berhad (“Tropicana”), I am pleased to present the Tropicana Corporation Berhad Annual Report for the financial year ended 31 December 2015.

The year 2015 has proved to be a very economically challenging year both in Malaysia and globally. Nevertheless, initiatives undertaken by the Group over the recent years have allowed Tropicana to have a healthy balance sheet to weather the current operating climate. We are confident that Tropicana will continue to demonstrate its resilience as we move forward. This confidence is backed by over RM3.0 billion worth of unbilled sales and more manageable new gearing levels. We have strengthened our competitive advantage in the industry and placed ourselves in a strong position to ensure a sustainable future for the Group.

### Dividends

For the fiscal year ended 2015, the Board has declared a first interim single-tier dividend of 5.0 sen per ordinary share of RM1.00 each on 26<sup>th</sup> November 2015 and was paid to the shareholders on 23<sup>rd</sup> December 2015.

In addition, the Board has also further declared an interim single-tier dividend of 2.0 sen per ordinary share of RM1.00 each on 19<sup>th</sup> February 2016 and was paid on 17<sup>th</sup> March 2016. Total single-tier dividend of 7.0 sen per ordinary share of RM1.00 each has been declared and paid, translating to a dividend yield of 6.9% (based on Tropicana Share Price of RM 1.01 per share).





Tropicana is a fully integrated township developer and schools are one of the key components of Tropicana development DNA. On January 2015, we entered into a "strategic partnership" with GEMS Education to build a world class learning institution at Tropicana Metropark, Subang Jaya. The signing ceremony was also witnessed by the YB Dato' Seri Idris Bin Jusoh (centre), Minister of Higher Education and YBhg Tan Sri Dato' Danny Tan (far left), Founder & Advisor of Tropicana Group.

### Enhancing Governance and Shareholder Value

Tropicana remains focused in adhering to good corporate governance and promoting best practices across all our business, as per the recommendations set out in the Malaysian Code of Corporate Governance 2012 ("the Code"). As a responsible corporate citizen, we will continue to uphold the integrity of these practices to drive performance and growth, improve market position and deliver on long-term shareholder value.

### Enriching Communities

At Tropicana, our commitment to responsible growth and sustainability forms a strong foundation that translates into exceptional value for the communities we serve, now and in the future. We aim to make a difference in the communities around us. While it takes a lot of effort and hard work, we are committed to enriching our relationships with the people and communities around us, increasing their quality of life across our integrated developments.

### Maximising Potential

At Tropicana, our employees form the bedrock of our growth and success. We continue to take the necessary steps to maximise their potential and we constantly encourage them to share ideas and solutions that will further elevate the Group's position within the industry. We believe in the need to continuously bolster our talent pipeline as we understand that in-depth knowledge, experience and expertise among employees will lead to the achievement of good results and would help us contribute to the shaping of the communities of tomorrow.

### A Legacy of Innovation

The solid foundation of this company has been laid as a result of the many years of hard work and skillful entrepreneurship put in by its Founder & Advisor, Tan Sri Dato' Danny Tan Chee Sing who retired as Group Executive Vice Chairman and relinquished his day-to-day management role in the Group, effective from 18 June 2015. Tan Sri Dato' Danny Tan is a highly regarded and well-respected individual in the property industry. I would like to express our most profound gratitude to Tan Sri Dato' Danny Tan for his able stewardship and great vision which led the Group to attain the position that it is in today.

### Redefining the Art of Living

At Tropicana, we have always believed in doing the right things for our customers, employees, stakeholders and shareholders. We remain steadfast in our commitment towards the further transformation of the company so as to achieve the desired results. This journey is backed by a quality leadership team and highly talented employees. Guided by the Tropicana unique DNA and the spirit of innovation, we will forge ahead in redefining the art of living. We are confident of taking our performance up to the next level, thus reaffirming our goal of delivering real value to our stakeholders.

### Acknowledgements

On behalf of everyone at Tropicana, I would like to once again express our deepest appreciation to Tan Sri Dato' Danny Tan for his intense dedication, inspiring leadership and wise guidance. I also thank members of our Board of Directors, outgoing and new. For me, it has been a privilege to work with them throughout 2015. Their strong support and collective wisdom have helped guide our actions and strengthened our position in 2015.

The Board would also like to record our appreciation to our stakeholders – our loyal customers, business partners, bankers, contractors and associates – for their support and for believing in our abilities towards redefining the art of living.

We would also like to thank the Management team and all our loyal employees for their perseverance in translating the Group's vision into business deliverables and good returns for stakeholders.

With the depth and breadth of our capabilities, Tropicana is well-positioned to meet the growing needs of the industry. Together, we will drive performance and set the direction for sustainable and profitable growth as we work towards realising our goal of becoming one of the premier property developers in Malaysia.

### TAN SRI RASTAM MOHD ISA

Independent Non-Executive Chairman



# FOUNDER & ADVISOR'S MESSAGE

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## YBHG TAN SRI DATO' TAN CHEE SING



“

Our priority is centred on delivering long-term sustainable value to our customers, our shareholders and our stakeholders.

”

When I first ventured into the property industry, I started with a 625-acre plot of land that later became Tropicana Golf & Country Resort, the first gated community and resort living concept in Malaysia. We went against conventional thinking and we have continued to chart our own course ever since. We blended entrepreneurial spirit, innovative thinking and operational excellence, united by our passion and commitment towards delivering strong financial performance.

### Charting the Course

In the business of building homes, we are often confronted by people's changing values and priorities, depending on their needs and wants. From just wanting a roof over their heads, it has progressed into having a holistic lifestyle with facilities, amenities, security, accessibility and connectivity all within the same environment for individuals building a life and family.

Faced with this, we pushed frontiers and created the Tropicana development DNA, which is essentially based on our customers' feedback over the years. We designed integrated developments and townships, guided by this unique DNA, with a strong emphasis on well-being, supported by sustainable, green architecture that nurtures communal warmth in a safe environment. In doing so, we evolved from being property developers to master builders of communities. We have included unique elements within our developments such as our yellow bicycle icons, central parks, open spaces, high-quality educational institutions and even built exclusive road access for the ease of our residents.





Tropicana has always been working in sync with the pulse of the local communities and Tropicana home owners. On January 2016, together with Lasallian Asian Partnerships for International Schools ("LAPIS"), we donated a total of RM3.0 million to St Joseph's Institution International School Malaysia ("SJII") for its International Baccalaureate Scholarship Programme in Malaysia.

Seen here, YBhg Tan Sri Dato' Danny Tan, Founder & Advisor of Tropicana (sixth from left) presenting the mock cheque to Brother Thomas Lavin, the Brother President of SJII Malaysia (seventh from left) whilst LAPIS was represented by Mr Michael Sng, Director of LAPIS and Chairman & Board of Governors of SJII Malaysia (eighth from left). The ceremony was witnessed by the senior management of Tropicana (from far left to right) Mr Dion Tan, Mr Daniel Teh, Datuk Michael Tang, Dato' Yau Kok Seng, Dato' Dickson Tan. Meanwhile, LAPIS and SJII was represented by Brother Paul Ho, Mr Dennis Tang, Ms Loong Mei-Yin, Mr Derek Loh and Brother Ambrose Loke.

These little, but thoughtful details have garnered the attention of our customers and as a result, our property launches have achieved overwhelming response. Our forward momentum is reflected in our total sales performance for the year in review as we have recorded total development sales of RM1.55 billion for the fiscal year 2015, exceeding the previous year's total sales of RM1.49 billion.

### Supporting the Community

While we progressed in solidifying our position in the industry, we did not waiver on touching the lives of those around us. That's the beauty of building communities of tomorrow – we are not just focused on our developments but also the communities around us because we want them to evolve hand in hand with us. During the year under review, we donated more than RM3.0 million through our Tropicana Foundation and other subsidiaries within the Group. Our aim is to make a positive and meaningful impact on the lives of those around us.

### Conceptualising the Future

Today, we are standing at an exciting juncture of our transformational journey as we continue to make progress on our strategy. Our efforts have been recognised yet again, winning notable awards such as the Top 10 Developer Award at Property Insight's Prestigious Developer Awards; five-star rating for Best Developer Website at the Asia Pacific Property Awards 2015, BCI Asia's Top 10 Entrepreneurs Award 2015; Bronze Award at the Putra Brand Awards; Brandlaureate's Brand Excellence for Best Property award, The Edge Billion Ringgit Club's Highest Profit Growth Company for the second consecutive year and the Outstanding Property Personality Award at The Edge Property Excellence Award 2015.

After having dedicated more than three decades of my life to the business, I believe that it is timely to pass the baton to the new generation of leadership. Day to day management of Tropicana will now be taken over by our Group Chief Executive Officer Dato' Yau Kok Seng and Deputy Group Chief Executive Officer, Dato' Dickson Tan. They have been instrumental in formulating and leading the transformation journey and I have the confidence that they can effectively lead Tropicana forward.

Notwithstanding the more challenging market environment, I believe there is still a real opportunity for growth. We will continue to develop key townships in both the Central and Northern regions and towards landed properties, as set out in our master plan. Our priority is centred on delivering long-term sustainable value to our customers, our shareholders and our stakeholders.

### Acknowledgements

On behalf of the Board of Directors and the management team of Tropicana, I would like to extend my deepest appreciation to our shareholders and stakeholders for your continued loyalty and support rendered throughout the years.

I would also like to thank all my colleagues for your trust and unflagging commitment through the years. You have all been an invaluable part of this team and Tropicana wouldn't be where it is today without your contributions.

**YBHG TAN SRI DATO' TAN CHEE SING**  
Founder & Advisor



# GROUP CEO'S MESSAGE

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## DATO' YAU KOK SENG



“

Throughout 2015, Tropicana remained focused on its transformation journey to deliver long-term sustainable shareholder value. Our effective strategies in adapting to customer's needs and fluid market dynamics have helped us pull through 2015 property market challenges.

”

It gives me great pleasure to present the Tropicana Corporation Berhad 2015 Annual Report.

Throughout 2015, Tropicana remained focused on its transformation journey to deliver long-term sustainable shareholder value. Our effective strategies in adapting to customer's needs and fluid market dynamics have helped us pull through 2015 property market challenges.





**Sealing the deal:** Dato' Yau Kok Seng and Mr Tom Collin exchanging the signed agreement between Tropicana and GEMS Education to develop an international school campus in Tropicana Metropark. The official ceremony is witnessed by YB Dato' Seri Idris Jusoh (seventh from left), Minister of Higher Education and YBhg Tan Sri Dato' Danny Tan (sixth from left), Founder & Advisor of Tropicana.

(Standing from left to right) YBhg Tan Sri Rastam, Chairman of Tropicana; Dato' Dickson Tan, Deputy Group CEO of Tropicana; Dato' Yau Kok Seng, Group CEO of Tropicana, YBhg Tan Sri Dato' Danny Tan, Founder & Advisor of Tropicana; YB Dato' Seri Idris Jusoh, Minister of Higher Education; Mr Tom Collin, CEO of GEMS Education (Malaysia); Mr Shailesh Chander, Chief Financial Officer of GEMS Education (East Asia); Dr Tan Hui Leng, Chief Academic Officer of GEMS Education (Malaysia); Mr Nicholas Guest, Chief Financial Officer of GEMS Education and Mr Mark Ryder, Group Head of Real Estate of GEMS Education.

## Corporate Overview of 2015

For the financial year ended 31 December 2015, the Group revenue stands at RM1.25 billion from the Group's continuing operations. Excluding the financial impact from land sales and fair value adjustments, performance was in line with expectations with revenue contribution driven by steady development progress from the Group's ongoing developments.

Throughout the year, we adopted a market-driven approach, delivering to our customers innovative development concepts and right product offerings. Tropicana closed the year with strong sales performance, chalking up new sales of RM1.55 billion for the fiscal year 2015, exceeding the previous year's total sales of RM1.49 billion. The stronger sales performance has resulted in the Group's unbilled sales reaching a record high of RM3.13 billion, placing it in a comfortable position to deliver sustainable earnings performance in the next two to three years.

We experienced continued growth as a result of the positive response from the Group's integrated mix township development projects. This further underlined Tropicana's ability to unlock the value of its strategic prime landbank and build integrated developments featuring our unique Tropicana DNA that caters to the needs of our customers.

## Transformation Journey

During the year under review, the Group launched RM1.62 billion worth of new projects in the Central region, one of the leading growth areas in Malaysia. Arahsia Residences, the first phase of Tropicana Aman was fully taken-up while Bayan Residences, which was launched in August 2015, experienced more than 70% take up. Meanwhile, the Parkfield Residences at Tropicana Heights and Cyperus Serviced Residences at Tropicana Gardens also received overwhelming response. Pandora Residences and Paloma Residences, the first and second phase at Tropicana Metropark are progressing as planned and continue to gain interests from customers.

On March 2015, we launched Tropicana The Residences, our most ambitious development to date, located strategically within the Kuala Lumpur City Centre area. With an approximate gross development value (GDV) of above RM800 million, this luxury serviced apartments will share spaces with the world-renowned W Hotel. Expected to be completed in 2017, it has been categorised as a green building.

In our continuous effort to further strengthen our customer engagement, in July and September 2015, we introduced new sales galleries at Tropicana Aman and Tropicana Heights. The galleries will also function as a satellite office for the respective districts, enabling our sales team to be onsite at all times for the convenience of our customers. Further to this, we introduced the Tropicana Dream Investment Campaign via digital and online platforms to increase customer interests towards our developments, either as a homeowner or as an investment.

During the year under review, the Group entered into strategic partnerships, namely with GEMS Education and Tenby Schools to build international school campuses in Tropicana Metropark and Tropicana Aman respectively. This is in line with our goals of building education excellence within the various integrated developments. Our first international school, St Joseph's Institution International School Malaysia is expected to open its doors to students in September 2016.

## A Position of Strength

Throughout 2015, we positioned the Group for growth and this has been realised through a strong culture of productivity and efficiency. We are determined to realise our transformational roadmap of unlocking value of our prime landbanks through development and land sales, accelerating our de-gearing activities to strengthen our balance sheet and conducting successful rebranding activities to further enhance strong brand value.

Our de-gearing initiatives are also bearing fruit. The Group's financial position has strengthened considerably, with net gearing at the end of December 2015 brought lower to 0.30x, a marked improvement from 0.68x registered as at the end of December 2014. Proceeds from Tropicana's strategic disposal of its non-core assets and investment properties has reduced net borrowings by half from RM2.0 billion as at financial year ended 2014 to RM0.9 billion as at financial year ended 2015.





Tropicana won The Edge Billion Ringgit Club's Highest Profit Growth Company for the second consecutive year (2014 & 2015). Seen here, Dato' Yau (centre) receiving the award from Mr Ho Kay Tat (right) CEO of The Edge Media Group. Looking on was Mr Ong Eng Bin, CEO of OCBC Malaysia.



Site visit at the new Tropicana Metropark: YB Dato' Seri Idris Jusoh, Minister of Higher Education (far left) was given a personal tour by Dato' Yau together with Tan Sri Rastam (far right).

2015 saw several key transactions being completed, as Tropicana received cash proceeds totalling RM1.1 billion from the strategic disposal of its non-core assets and investment properties, namely the disposal of its entire shareholding in Tenaga Kimia Sdn Bhd to Austin Powder Asia Pacific for a total cash consideration of RM194.7 million, of which the Group recorded a net gain of RM48.5 million from the sale proceeds; the sale of 3.138 acres of freehold land along Jalan Bukit Bintang for a cash consideration of RM448.4 million and the sale of Tropicana City Mall and Office Tower for RM540 million. The Group also completed the sale of the Canal City land to Eco World Development Group for RM471 million in 2015.

Prospects in 2016 remain challenging as we expect persisting tight liquidity, stringent bank borrowings and easing of GDP growth. Against this backdrop, the Group's efforts will continue to focus on creating value for its stakeholders and carry on with its strategy to unlock the value of its 1,600 acres of prime land with potential GDV in excess of RM50 billion.

In 2016, we have identified new development projects to be launched with an estimated GDV of RM1.7 billion primarily in the Central and Northern Regions and towards landed properties. We expect to roll out new development phases including Townhouse and Semi-D's in Tropicana Heights, shop offices in Tropicana Aman and mixed residential and commercial developments in Penang World City. Following the success of the first 3 blocks of Tropicana Gardens, we will also introduce a final residential block under this development.

While we have made strong progress in 2015, there is still a lot of work to be done. For instance, our continuous value engineering activities are targeted to improve cost efficiency without compromising quality. Simultaneously, we will also focus on sculpting a more lean and efficient operating structure by trimming the Group's general and administrative expense levels to be in line with the industry average of approximately 7% to 8%. Our financial discipline will persevere as we intensively defend current net gearing levels. From the teamwork shown by the Tropicana team, I am very confident the progress that we have achieved thus far will reflect positively in the financial indicators of the Group moving forward.

We will begin 2016 in a position of strength. We are committed to realising our vision and at the same time, seek new growth opportunities as we continue to optimise and enhance our shareholders value.

### Acknowledgements

I would like to extend my heartfelt appreciation to the Board of Directors for your unwavering commitment in ensuring the sustainability of our continued growth. I would also like to extend my appreciation and gratitude to the team of dedicated employees at Tropicana for your dedication and hardwork, and to our customers, stakeholders and shareholders for your trust and loyalty all this time.

Thank you.

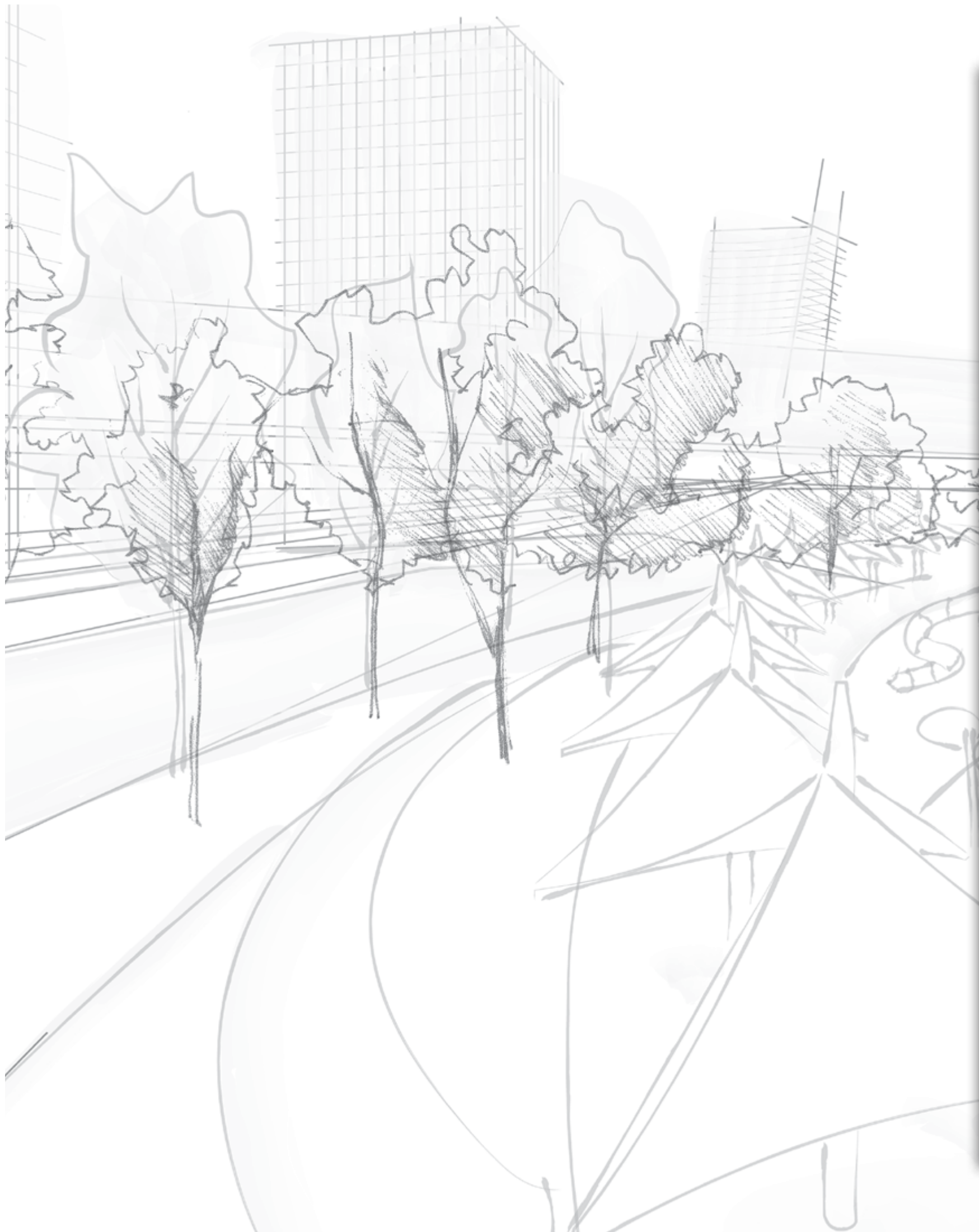
**DATO' YAU KOK SENG**  
Group Chief Executive Officer



# VALUE-ADDED STATEMENT

	2015 RM'000	2014 RM'000
<b>Value-Added</b>		
Total turnover	1,351,704	1,972,358
Purchases of goods and services	(864,510)	(1,302,853)
<b>Value-Added by the Group</b>	487,194	669,505
Share of profits of associates	(17)	993
Share of profits of joint ventures	19,616	15,357
<b>Total Value-Added</b>	506,793	685,855
Reconciliation :		
Profit for the year	223,302	333,936
Add : Depreciation and amortisation	28,268	29,069
Finance costs	65,341	49,510
Staff costs	100,355	155,820
Taxation	64,348	68,375
Non-controlling interest	25,179	49,145
<b>Total Value-Added</b>	506,793	685,855
<b>VALUE DISTRIBUTED</b>		
<b>Employees</b>		
Salaries and other staff costs	100,355	155,820
<b>Government</b>		
Corporate taxation	64,348	68,375
<b>Providers of capital</b>		
Dividends	90,320	54,710
Finance costs	65,341	49,510
Minority interest	25,179	49,145
<b>Reinvestment and growth</b>		
Depreciation and amortisation	28,268	29,069
Income retained by the Group	132,982	279,226
<b>Total Distributed</b>	506,793	685,855





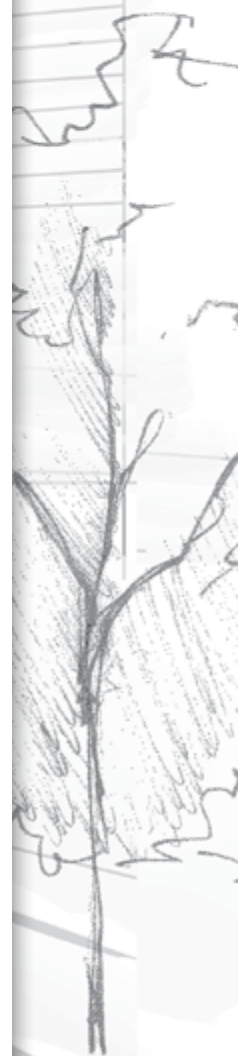


# REINVENTING A VIBRANT TOWNSHIP

Metropark is an abbreviation for “Metropolitan living in the park”. Tropicana Metropark transforms a former 88-acre industrial site in Subang Jaya into a fresh, vibrant, and thriving community of tomorrow built around its unifying core: an iconic 9.2-acre Central Park with a unique self-sustaining lake. The development’s master plan concept and design strategy emphasise spatial permeability and public linkages, interconnected open spaces and features that become part of the ‘place making’ process with green connecting venues that encourage outdoor and social activities. These efforts were recognised at the recent Asia Pacific Property Awards 2014 where Tropicana Metropark won top honours in the landscape architecture category.

This self-contained mixed-development combines residences, business spaces, a retail boulevard, GEMS International School, medical amenities and recreational areas that seamlessly integrate the Central Park with surrounding parcels and commercial elements. Tropicana Metropark is poised to set a new benchmark in ‘seamless living’, serving the burgeoning growth of younger population from neighbouring matured communities. To enhance the accessibility of this development, Tropicana is also constructing a RM106 million flyover, which will directly link the development to the Federal Highway.

For more details, please log on to [www.tropicanametropark.com.my](http://www.tropicanametropark.com.my)







Artist's impression





Site photo: Work in progress of the Central Park





Tropicana Danga Cove, Iskandar, Malaysia



# FOUNDER & ADVISOR'S PROFILE

## Tan Sri Dato' Tan Chee Sing

*(Founder & Advisor of Tropicana Group)*



Tan Sri Dato' Tan Chee Sing, a Malaysian, aged 61, is the Founder & Advisor of Tropicana Corporation Berhad ("**Tropicana**") Group. He was appointed to the Board of Tropicana on 5 July 1995. On 7 January 2013, he relinquished from his position as the Group Chief Executive Officer and was re-designated as the Group Executive Vice Chairman of Tropicana. He resigned as the Group Executive Vice Chairman of Tropicana on 18 June 2015.

Tan Sri Dato' Tan is a businessman and entrepreneur having a wide spectrum of businesses with extensive experience in property development, resort management, restaurants and leisure through his investments in public and private limited corporations.

He is currently the Group Executive Vice Chairman of Tropicana Golf & Country Resort Berhad (a wholly-owned subsidiary of Tropicana), the Chairman of Sports Toto Malaysia Sdn Bhd and the Deputy Chairman of the Tropicana Foundation.

# DIRECTORS' PROFILES

## Tan Sri Rastam Bin Mohd Isa

*(Independent Non-Executive Chairman)*



Tan Sri Rastam Bin Mohd Isa, a Malaysian, aged 65, was appointed as the Independent Non-Executive Chairman of the Board of Tropicana on 25 April 2014.

Tan Sri Rastam obtained his Bachelor of Social Science Degree from Universiti Sains Malaysia in 1974 and a Certificate in Diplomacy from the University of Oxford in 1977. He also obtained a Master of Arts Degree in International Relations and Strategic Studies from the University of Lancaster in 1986.

Tan Sri Rastam began his career in the Malaysian Administrative and Diplomatic Service in 1974. He was appointed as High Commissioner of Malaysia to Pakistan in October 1994. In November 1996, he became the first Malaysian Ambassador to Bosnia Herzegovina, resident in Sarajevo. He was posted to New York as Ambassador and Deputy Permanent Representative to the United Nations in May 1998. From September 1999 to March 2003, Tan Sri Rastam assumed the post of Malaysian Ambassador to the Republic of Indonesia. He returned to New York and served as Malaysia's Permanent Representative to the United Nations from March 2003 to August 2005. He served as Deputy Secretary General at the Ministry of Foreign Affairs, Malaysia before being appointed as Secretary General. Tan Sri Rastam served as the Secretary General of the Ministry of Foreign Affairs, Malaysia from 8 January 2006 to 2 September 2010.

Tan Sri Rastam served as an Advisor to the Chief Minister's Department, Sarawak from November 2010 to December 2013. He was appointed as the Chief Executive of the Institute of Strategic and International Studies (ISIS) Malaysia on 1 January 2014 and on 9 January 2015, he was appointed Chairman and Chief Executive of ISIS Malaysia.

He is an Independent Non-Executive Director of Eversendai Corporation Berhad and Sime Darby Energy Sdn Bhd as well as the Chairman of the Board of Trustees of the Tropicana Foundation.

Tan Sri Rastam does not have any family relationship with any Directors and/or major shareholders of Tropicana, nor any conflict of interest with Tropicana.

*Note: None of the Directors of Tropicana have any offences to be disclosed in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad*



## Datuk Seri Mohamad Norza Bin Zakaria

*(Independent Non-Executive Deputy Chairman)*



Datuk Seri Mohamad Norza Bin Zakaria, a Malaysian, aged 50, was appointed as Independent Non-Executive Deputy Chairman of the Board of Tropicana on 18 June 2015. He is the Chairman of the Audit Committee and Executive Committee and a member of the Risk Management Committee, Nomination Committee and Remuneration Committee.

Datuk Seri Mohamad Norza graduated with a Bachelor of Commerce (Major in Accounting) from University of Wollongong, New South Wales, Australia in 1988. He is a Chartered Accountant of the Malaysian Institute of Accountants (MIA) and a fellow of the Australian Certified Practising Accountants (FCPA).

Datuk Seri Mohamad Norza began his career with Messrs. Arthur Andersen & Co. / Hanafiah, Raslan & Mohamad as a Senior Audit Assistant from September 1988 to January 1990 before joining Bank Negara Malaysia as an Executive in the Bank Regulation Department from February 1990 until October 1991. He then joined PETRONAS as a Senior Executive, Finance & Administration in its Gas & Petrochemical Development Division from November 1991 until April 1994. He was appointed as the Group Financial Controller of SPK Sentosa Corporation Berhad in May 1994 and left in March 1995. He was the Group General Manager of Audit in Mun Loong Berhad from April 1995 to December 1997. He became the Chief Executive Officer of Gabungan Strategik Sdn Bhd in January 1998 and left in March 2004. He then served as the Political Secretary to the Minister of Finance II of Malaysia from April 2004 to March 2008.

Currently, he is the President and Chief Executive Officer of Citaglobal Sdn Bhd. He is also a Director of Bintulu Port Holdings Berhad and TH Plantations Berhad.

Datuk Seri Mohamad Norza does not have any family relationship with any Directors and/or major shareholders of Tropicana, nor any conflict of interest with Tropicana.

## Dato' Yau Kok Seng

*(Group Chief Executive Officer)*



Dato' Yau Kok Seng, a Malaysian, aged 57, was appointed to the Board of Tropicana on 7 January 2013 and is currently the Group Chief Executive Officer of Tropicana. He is a member of the Risk Management Committee, Executive Committee and Pricing Committee.

Dato' Yau is a Chartered Accountant and a member of the Malaysian Institute of Accountants and the Malaysian Institute of Certified Public Accountants. He has more than 30 years of experience in auditing, corporate finance and general management in which he has held various positions including senior management positions in various companies in the Sunway Group. Dato' Yau started his career with Ernst & Young from 1980 to 1992 before joining the Sunway Group as Head of Corporate Finance in 1992. He was promoted to Group Finance Director in 1995 and subsequently as the Managing Director of Sunway Holdings Berhad in April 2001.

Dato' Yau was the Group Managing Director of Hong Leong Industries Berhad from September 2011 to December 2012. He joined Tropicana as the Group Chief Executive Officer on 7 January 2013.

Dato' Yau is a Director and an Executive Committee member of the Federation of Public Listed Companies Berhad. He is also the Group Chief Executive Officer of Tropicana Golf & Country Resort Berhad, a wholly-owned subsidiary of Tropicana, and a member of the Board of Trustees of the Tropicana Foundation.

Dato' Yau does not have any family relationship with any Directors and/or major shareholders of Tropicana, nor any conflict of interest with Tropicana.



## Dato' Dickson Tan Yong Loong

*(Deputy Group Chief Executive Officer)*



Dato' Dickson Tan Yong Loong, a Malaysian, aged 35, was appointed to the Board of Tropicana on 20 May 2009. He is currently the Deputy Group Chief Executive Officer of Tropicana. He is a member of the Executive Committee, Risk Management Committee, Pricing Committee and Remuneration Committee of Tropicana.

Dato' Dickson Tan graduated with a Bachelor of Science (Honours) in Business Management from King's College, University of London, United Kingdom in 2002. He obtained a Master of Science in Internal Auditing and Management from Cass Business School, City University, United Kingdom in 2003.

He joined Tropicana as Business Development Manager in 2005 and has been promoted to several senior management positions prior to his current position. He presently oversees the corporate strategy, marketing, planning and risk management of the Tropicana Group.

He also serves on the board of Berjaya Corporation Berhad, Berjaya Sports Toto Berhad, Berjaya Land Berhad, Berjaya Assets Berhad, Tropicana Golf & Country Resort Berhad (a wholly-owned subsidiary of Tropicana) and several other local and international private limited companies involved in investment holding, services, media, leisure and retail.

Dato' Dickson Tan is affiliated with certain non-profit organisations, including as the Deputy Chairman of the Tropicana Foundation, a member of the Kuala Lumpur Business Club and a member of the Malaysian Institute of Management.

His father, Tan Sri Dato' Tan Chee Sing, is the Advisor/Founder and a major shareholder of Tropicana. His brothers, Mr Dillon Tan Yong Chin and Mr Dion Tan Yong Chien, are Executive Directors of Tropicana. Save as disclosed, he does not have any family relationship with any other Directors and/or major shareholders of Tropicana, nor any conflict of interest with Tropicana.

## Dillon Tan Yong Chin

*(Executive Director)*



Mr Dillon Tan Yong Chin, a Malaysian, aged 33, was appointed to the Board of Tropicana as an Executive Director on 21 May 2013. He is a member of the Executive Committee.

Mr Dillon Tan graduated with a Bachelor of Science (Honours) in Business Management from King's College, University of London, United Kingdom in 2004. He obtained a Master of Science in Information Security from Royal Holloway, University of London, United Kingdom in 2005.

Mr Dillon Tan has been involved in the property and hospitality sector since 2006 and was based in Ho Chi Minh, Vietnam from 2009 to 2013. He returned to Malaysia for residence in 2013.

He sits on the Board of Tropicana Golf & Country Resort Berhad (a wholly-owned subsidiary of Tropicana) as well as several private limited companies locally and in Vietnam.

His father, Tan Sri Dato' Tan Chee Sing, is the Advisor/Founder and a major shareholder of Tropicana. His brothers, Dato' Dickson Tan Yong Loong and Mr Dion Tan Yong Chien, are the Deputy Group Chief Executive Officer and Executive Director of Tropicana respectively. Save as disclosed, he does not have any family relationship with any other Directors and/or major shareholders of Tropicana, nor any conflict of interest with Tropicana.



## Dion Tan Yong Chien

*(Executive Director)*



Mr Dion Tan Yong Chien, a Malaysian, aged 26, was appointed to the Board of Tropicana as an Executive Director on 18 June 2015. He is a member of the Executive Committee, Risk Management Committee, Pricing Committee and Remuneration Committee of Tropicana.

Mr Dion Tan graduated with a Bachelor of Science in Information Management for Business from University College London, United Kingdom in 2011. He obtained a Master of Science in Management with Information Systems and Innovation from London School of Economics, United Kingdom in 2012.

Mr Dion Tan was with Accenture, a global management and technology consulting firm, as a strategy consultant with experience in telecommunications, media and property sector.

He sits on the Board of Tropicana Golf & Country Resort Berhad (a wholly-owned subsidiary of Tropicana) as well as several private limited companies locally.

His father, Tan Sri Dato' Tan Chee Sing, is the Advisor/Founder and major shareholder of Tropicana. His brothers, Dato' Dickson Tan Yong Loong and Mr Dillon Tan Yong Chin, are the Deputy Group Chief Executive Officer and Executive Director of Tropicana respectively. Save as disclosed, he does not have any family relationship with any other Directors and/or major shareholders of Tropicana, nor any conflict of interest with Tropicana.

## Dato' Gan Nyap Liou @ Gan Nyap Liow

*(Senior Independent Non-Executive Director)*



Dato' Gan Nyap Liou @ Gan Nyap Liow, a Malaysian, aged 62, was appointed to the Board of Tropicana as an Independent Non-Executive Director on 1 August 2013. On 18 June 2015, he was appointed as the Senior Independent Non-Executive Director of Tropicana. He is the Chairman of the Nomination Committee, Remuneration Committee and Pricing Committee and a member of the Audit Committee.

Dato' Gan is a Certified Management Consultant and Chartered Accountant.

Dato' Gan was with Accenture, a global management and technology consulting firm for 26 years until his retirement in December 2004. He was a worldwide partner for 16 years and held many global leadership positions including Managing Director of the Global Management Council from 1997 to 2004.

Dato' Gan had served as the Chairman of the Association of Computer Industry Malaysia (PIKOM) and was a member of the Ministry of Science and Technology Think Tank, Copyright Tribunal and the Labuan International Financial Exchange Committee.

He is the Chairman of Cuscapi Berhad and Rev Asia Berhad, and a Board member of Maybank Investment Bank Berhad, Tanjong Public Limited Company and Saujana Resort (M) Berhad. He is also a Director of the Minority Shareholder Watchdog Group and the Chairman of the British Malaysian Chamber of Commerce.

Dato' Gan does not have any family relationship with any Directors and/or major shareholders of Tropicana, nor any conflict of interest with Tropicana.



## Datuk Michael Tang Vee Mun

*(Independent Non-Executive Director)*



Datuk Michael Tang Vee Mun, a Malaysian, aged 43, was appointed to the Board of Tropicana on 13 November 2009. He is the Chairman of the Risk Management Committee and a member of Audit Committee, Nomination Committee, Remuneration Committee and Pricing Committee.

He is the principal of Mettiz Capital Limited, an investment and advisory firm with particular focus on private equity and alternative investments.

Datuk Michael Tang has significant experience in corporate and financial matters spanning across various asset classes including real estate, natural resources, energy and manufacturing. He commenced his career as a legal practitioner and was previously a partner of one of the oldest and largest law firms in Malaysia.

He sits on the boards of several companies where he contributes time to their businesses with the objective of achieving strategic and corporate improvements.

Beyond the business sphere, he is a founding trustee of 1Malaysia Community Alliance Foundation, a charitable entity dedicated to crisis relief and community services.

Datuk Michael Tang graduated with a Bachelor of Laws (Honours) degree from the London School of Economics and Political Science, University of London and was admitted as a Barrister-at-Law of the Honourable Society of Lincoln's Inn, London.

Datuk Michael Tang does not have any family relationship with any Directors and/or major shareholders of Tropicana, nor any conflict of interest with Tropicana.

## Tan Sri Othman Bin Abd Razak

*(Independent Non-Executive Director)*



Tan Sri Othman bin Abd Razak, a Malaysian, aged 67, was appointed as an Independent Non-Executive Director of the Board of Tropicana on 18 April 2016.

Tan Sri Othman graduated with a Bachelor of Arts (Honours) Degree in History/International Relations from the University of Malaya in 1972. He obtained a Certificate in International Security and Defence from the Royal College of Defence Studies, United Kingdom in 1996.

Tan Sri Othman began his career in the Malaysian Administrative and Diplomatic Service in 1972. He served in various capacities in the Malaysian foreign missions in Asia, Europe and the Middle East. Before his retirement, he served as the Director General in the Prime Minister Department from 2002 to 2006.

Upon his retirement in 2006, Tan Sri Othman served as an advisor to the Prime Minister of Malaysia. In this capacity, he was the Malaysian Government Chief Facilitator in the Peace Process between the Government of the Philippines and Moro Islamic Liberation Front (GRP-MILF) until 2010. During his tenure, he attended several forums and discourses in conflict resolutions, peace mediation and peacekeeping in Europe and the Middle East.

He also initiated several contacts between the Thai authorities and the Patani Separatist Movements with support from The Organisation of Islamic Conference and international non-governmental organisations in an attempt to bring peace to the conflict in South Thailand.

To date, Tan Sri Othman continues to serve as an advisor to the Prime Minister of Malaysia.

Tan Sri Othman was an Independent Non-Executive Director and an Audit Committee member of Keretapi Tanah Melayu Berhad from 2006 to 2010. He was also a Director of Kumpulan Ikram Sdn Bhd, a wholly-subsiary of Protasco Berhad, from 2006 to 2007.

Tan Sri Othman currently does not hold any directorships in public companies.

Tan Sri Othman does not have any family relationship with any Directors and/or major shareholders of Tropicana, nor any conflict of interest with Tropicana.

*Note: None of the Directors of Tropicana have any offences to be disclosed in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad*



# MANAGEMENT TEAM



**DANIEL TEH**

*Group Managing Director*

- Currently overall in charge of projects executions throughout Malaysia, mainly located at Northern-Penang, Central-KlangValley and Southern-Johor Bharu
- There projects entails a mixture of township development, integrated development and stand alone parcel ie Tropicana Macalister, Tropicana Heights, Tropicana Aman, Tropicana Metropark, Tropicana Gardens and others
- Has over 26 years of experience in the Property industry with Gerbang Perdana (CIQ) Johor and Nakheel (Dubai, UAE)



**LEE HAN MING**

*Managing Director – Southern Region Projects*

- Currently oversees all projects in the Southern Region
- Has over 21 years of working experience in Property Development locally as well as in the UK market with exposure to large scale international projects such as KLIA



**KELVIN CHOO**

*Executive Director – Projects*

- Currently in charge of property development projects in Petaling Jaya, Cheras and township projects in Tropicana Heights and Tropicana Aman
- Oversees business planning and performance of these companies from concept planning, launch, cash flow, timely execution of these projects until final delivery to owners
- Has over 26 years of experience in the property and construction industry with Sunway City Berhad, HS Liao Sdn Bhd and JK (SEA) Sdn Bhd



**HERMAN TAN**

*Executive Director – Tropicana Golf & Country Resort*

- Currently heads Tropicana Golf Club
- Oversees development of entire golf club encompassing Golf, F&B, Membership, Tropicana Innovative Landscape and Organic Farm
- Previously with Federal Hotels Group and Phoenix Hotel Singapore, General Manager of Bukit Kiara Equestrian &Country Resort Kelab Darul Ehsan



**UNG LAY TING**

*Senior General Manager – Marketing & Sales And Business Development*

- Heads the Marketing & Sales department for Central, Northern and Southern Region
- Oversees strategic business development
- Oversees sales activities locally and internationally
- Has over ten years of experience in the Property industry



**JEFFREY TAN SIEW YANG**

*Senior General Manager – Group Legal*

- Heads Group Legal Department
- Previously a partner in a prestigious and reputed law firm
- Plays a pivotal role in advising, structuring, negotiating corporate, conveyancing and commercial transactions, and managing legal disputes for the Group



**CHEW BOON THONG**

*Senior General Manager – Cost & Contract*

- Currently heads Cost and Contract Department for Central Region
- Oversee project feasibility studies, costing, commercial and procurement functions from design inception to construction completion stage
- Has over 30 years of experience in the Property and Construction industry





**IR MOHD SOHIMIN BIN  
MOHD ALAYEDIN**

*Executive Director –  
Projects*

- Currently heads Project Management for Special Projects as well as responsible for all projects in the Northern Region
- Has over 23 years of experience in the Property industry with DRB Hicom Bhd/Glenmarie Properties Sdn Bhd and Sunway City Bhd



**ANDREW ASHVIN**

*Executive Director –  
Group Asset Management*

- Heads the Group Assets / Investment Properties Management Team
- Has over 20 years of experience in mixed assets management with stints in Carrefour, Hong Leong Group and Suria KLCC



**JOANNE LEE**

*Executive Director –  
Group Procurement & Trading*

- Currently heads Tropicana Building Materials Sdn Bhd and Group Procurement Department
- Actively involved in hotel development and property investment activities for the Group since 2015
- Has over 22 years of experience in Procurement, Purchasing and Logistics with multi-national companies and public-listed companies of various industries



**LIM LAI SENG**

*Chief Financial Officer*

- Currently in charge for Finance, Group Administration, Credit Administration, Risk Management and Group IT Departments
- Oversees the overall financial activities, tax strategies and monitoring the implementation of strategic business plans
- Has over 23 years of experience in financial management serving in various PLCs since 1996



**SOH SIEW ONG**

*General Manager –  
Group Human Resource*

- Currently leads and manages the Group's Human Resource Division
- Oversees and supports the Group human capital, talent management and people development
- Has over 25 years of Human Resource experience in Malaysia and South East Asia from multi-national and Public Listed Companies



**TEH PENG PENG**

*General Manager –  
Group Company Secretarial*

- Currently heads the Group Company Secretarial Department
- An associate member of The Malaysian Institute of Chartered Secretaries and Administrators (MAICSA)
- Has over 21 years of corporate secretarial experiences, encompassing the commercial environment of several public-listed companies of Bursa Malaysia Securities Berhad as well as the secretarial services industry

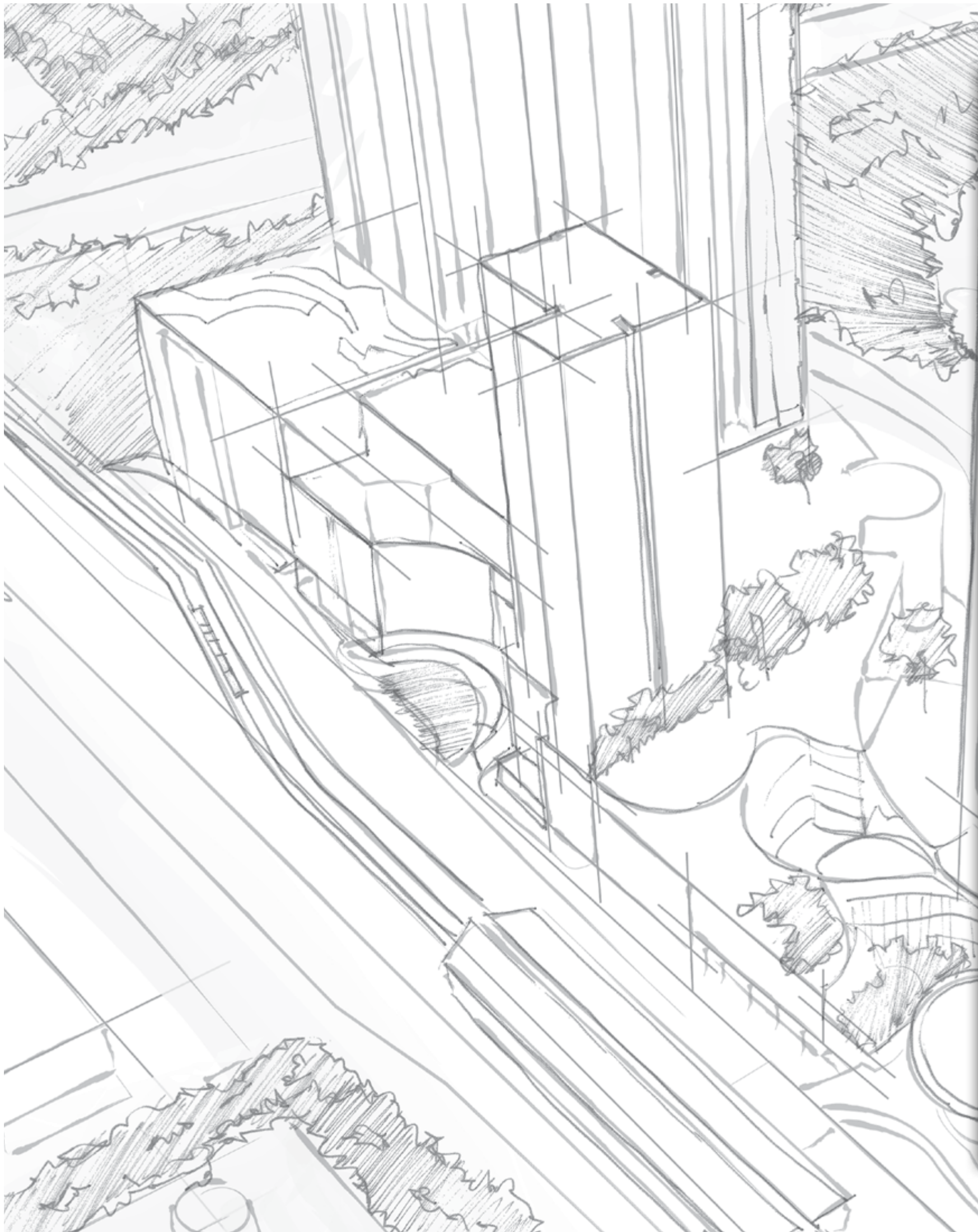


**JENNIFER MOK**

*Deputy General Manager –  
Internal Audit*

- Currently heads Group Internal Audit Department
- Supports the Group in achieving its defined strategic, operational, financial and compliance objectives
- Has over 19 years of experience in internal audit with Multi-Purpose Holdings Bhd and Magnum Corporation Bhd









# REENERGISING THE COMMUNITY

Hailed as the first-of-its-kind integrated development in Kota Damansara, Tropicana Gardens is poised to become the next pulse of Petaling Jaya. This 17-acre development comprises of high-rise residences, designer office blocks, and proposed hotel towers, located above a retail mall, all interspersed with lush green landscapes. Tropicana Gardens is adjacent to the Seri Selangor Golf Club and lake, allowing serene views of its greenery.

Connected via four major highways, Tropicana Gardens will also be served by the upcoming MRT line which is expected to be completed in 2016. The elevated Surian MRT station, directly connected to the retail mall provides the development's residents and visitors convenient access to and from nearby prime locations. There will also be dedicated drop-off areas for each development component and a proposed shuttle bus servicing existing communities within the Tropicana Indah and Tropicana Golf & Country Resort areas. With all these in place, Tropicana Gardens offers maximum convenience to its residents and serves as a central meeting hub for the surrounding communities.

For more details, please log on to [www.tropicanagardens.com.my](http://www.tropicanagardens.com.my)





Artist's impression





Site photo: Work in progress of Tropicana Gardens



# CORPORATE SOCIAL RESPONSIBILITY

## MARKETPLACE

We are constantly pushing boundaries in designing homes as we believe in making a positive difference in the lives of our customers and consumers. We demonstrate accountability, integrity and honesty across all our operations and interactions.



## COMMUNITY

We are committed towards reaching out and making a positive impact in the communities we serve. We are passionate about helping those in need.



## WORKPLACE

We ensure we not only attract and retain talent but also nurture our people by providing fulfilling career opportunities.



## ENVIRONMENT

We are focused on designing homes and developments that reduces our carbon footprint and promotes respect for the natural environment.





At Tropicana, our commitment to corporate social responsibility has been brought to life by the work we do in reaching out to communities, growing our environmental footprint, upholding responsible business practices and advocating the progress of our people.



At Tropicana, it is not just about business growth but also moving our people forward as they are our best asset.

Evolving from property developers to master builders, we have leveraged on our core expertise to create spaces that allow people to have enriching experiences – strengthening family bonds, forming life-long friendships and establishing lively neighbourhoods within the natural environment. Herein lies the important factors that contribute towards the long-term growth of the Group, and it has been integrated in the way we run our business.

We fully understand that sustainability is not just about “going green”; it is about conservation of natural resources to ensure that the environment remains viable for future generations, fostering compassion for the less fortunate and above all, strengthening relationships with the communities around us. This is also reflected in our resolve to challenge ourselves continuously to promote sustainable growth within our integrated developments and make contributions that matter to the communities where we live and work.

### Community

Our community outreach is aligned to our corporate strategy, ensuring that the growth experienced is beneficial to everyone. We strongly believe in conducting affirmative actions in society and as we had highlighted earlier, we want to grow hand-in-hand with the communities around us.

In the past two years, we have partnered with three reputable education providers to build St Joseph's Institution International School Malaysia (Tropicana PJ Campus), GEMS International School and Tenby International School. Building a school is a sign of our commitment to not just creating harmonious communities but to also create an ideal and vibrant townships that are strategic and holistic in nature.

In 2015, we made a conscious effort to broaden our relationships with the various charities, non-governmental organisations and organisations to advance their social and economic conditions.

We did this by reaching out and engaging in conversations, listening and doing what is right for them. During the year under review, we donated more than RM3.0 million through the Tropicana Foundation (formerly known as Dijaya Tropicana Foundation) and other companies within the Group.

As we make our way forward, we remain steadfast in our goal of creating meaningful relationships with the communities in which our employees and customers live and work. We will continue to support charities and initiatives that perform critical work in our communities.

### Our Environmental Footprint

For us at Tropicana, advancing our green architecture and environmental footprint is not just a responsibility but also an opportunity. Guided by our Tropicana DNA, our goal is to embed environmental aspects across all our integrated developments and townships.





We have introduced a sustainable eco-system that include landscaped features, lakes and ponds, climate control as well as energy efficient designs.

Throughout our integrated developments and townships, we have demonstrated our commitment to conduct our business in a manner where nature is respected. We have taken the necessary steps to ensure that while development occurs, conservation of the natural world is prioritised. In doing so, it has allowed us to minimise our environmental impact, redefine the art of living, bringing forth memorable living spaces that create enduring value for the residents.

By focusing on green architecture and sustainability practices, we have introduced a sustainable eco-system that include landscaped features, lakes and ponds, climate control as well as energy efficient designs. For example, the golf course terrain on which Tropicana Heights, Kajang is built on has been carefully structured and shaped to achieve a balanced flow of waterways and allows for the preservation of matured trees. At Tropicana Aman, the 85-acre central park has been designed to be the development's green lung, consisting of 2,400 native

trees. Meanwhile, the ongoing use of sustainable materials and architecture at Tropicana Gardens has seen its Green Building Index Silver rating upgraded to a Gold rating. With the creation on parks and tree-lined pathways throughout our developments and townships, we created a network of connected green spaces where residents can be one with nature.

We will never cease to enrich the natural environment across our developments and townships, as these thoughtful approaches in conserving biodiversity will be beneficial for everyone, now and the future generations.

### Trust, Integrity and Ethics

We take responsible behaviour very seriously at Tropicana. Strong governance practices, ethical values and integrity have been embedded into our business practices throughout the Group.

We recognise that the business we have built over the years is not just about designing great living spaces, it is about building trustworthy relationships with our stakeholders. This has been fundamental to our business growth. For instance, our customers today have more questions to ask and most often, it goes beyond the elementary aspects of community living. As such, we ensure ethical conduct and transparency is practiced as this demonstrates how we respond to



At Tropicana Aman, the 85-acre central park has been designed to be the development's green lung, consisting of 2,400 native trees.



their needs. We work hard to ensure trust is earned and integrity is advocated through our actions.

As we make progress on our transformation plan, there will be more emphasis on practising positive values in both our professional and personal capacities. Guided by integrity, trust and ethics, we have an unwavering moral compass to foster these shared values throughout our organisation.

### Fuelling Passion and Talent

At Tropicana, it is not just about business growth but also moving our people forward as they are our best asset. To ensure our transformation roadmap becomes a reality, we believe in the importance of harnessing talent, knowledge, experience, efficiency and accountability as this is crucial in building our talent pipeline.

Keeping this in mind, we strive to provide a work environment that fosters creativity, innovation, encourages collaboration, builds long-term relationships, drives empowerment and most importantly, allows them to excel in their professional careers. In essence, we have taken an inclusive approach in shaping a workplace environment that brings out our employees' passion and drive, one that allows them to transform ideas into the future of living solutions.

Firm in the belief that team unity is further strengthened through sporting events, we conducted several sporting tournaments such as a bowling tournament, the Tropicana Futsal Frenzy as well as a badminton tournament, which saw overwhelming participation from employees.

The long-term success of Tropicana has always been due to the dedication, skills and effort put in by our management and employees. To this end, we have also provided our employees with various learning and development options as well as benefits that increases opportunities for them. During the year under review, more than 420 employees underwent over 3401.5 training hours. Another interesting feature is that the training conducted is not just based on formal instructions, but also on-the-job platforms that allow our employees to think on their feet and be prepared at all times.



For the past 10 consecutive years, Tropicana supported The Edge Corporate Rat Race by cash donation and running for the good cause. Seen here, our runners representing Tropicana Group.

We believe that our actions will create stronger leaders and take Tropicana up to the next level, a positive force towards realising our transformation blueprint and achieving our vision.

During the year under review, Tropicana conducted several strategic outreach programme that made a favourable impact on the people and communities around us. Here are the few programme which have been conducted:

### Improving Lives: Towards Positive Social Upliftment

- Tropicana donated RM200,000 to help bring relief to residents in the East Coast who were impacted by the floods.
- Tropicana donated RM30,000 to the Petaling Jaya IPD to sponsor their Police Sports Day, as well as for their hard work in maintaining law and order in society.

### Investing In Our Future: Supporting Child Education and Health

- Contributed RM30,000 to three charities and organisations, namely Rumah Amal Cheshire Selangor, PDK Selayang and PDK Lembah Pantai during the Hari Raya Open House for 130 children at Tropicana Golf & Country Resort.

### Inspiring Talent: Cultivating a Spirit for Joy and Welfare

- Tropicana donated RM1 million to the Sabah Football Association to spur sports development in the state.

### Running For A Good Cause

- For the tenth consecutive year, Tropicana donated RM18,000 as well as participated in The EDGE Rat Race. The event brought together companies in support of the underprivileged through the EDGE Education Foundation.



# QUALITY ASSURANCE

At Tropicana Corporation Berhad (“Tropicana” or “the Group”), we have built our reputation as a premier quality developer and we remain focused in our commitment to deliver fine workmanship and quality products. As Tropicana continues to grow its presence across the nation, we regard these aspects as key drivers that make a difference in our business.

Are You Satisfied  
In Our Products /  
Services?

**93%**

Of The Survey  
Respondents

Firmly Said

**“YES”**

- Tropicana Cheras 2 -



In June 2015, 80% of our customers at Tropicana Cheras (Phase 2) project had responded to our Customer Satisfaction Survey (CSS) after they have taken their vacant possession (VP). We take great pride that 93% of the survey respondents firmly said “YES” to express their satisfaction in our products / services.

Tropicana believes customer satisfaction is a fundamental concept within the corporate culture and a prime factor that determines as well as sustains our business achievements. We value all the constructive feedback received from our customers through CSS on the five key perspectives, as shown below.

Since August 2014, Tropicana’s Quality Management System (QMS) has received accreditation for MS ISO 9001:2008 quality standard by SIRIM Malaysia. This certification encompasses every core aspect of property development.

In addition to the QMS, Tropicana has put in place its own benchmarks, through its commitment to the internationally recognised **Construction Quality Assessment System (CONQUAS)** for all medium-to high-end development projects within the Group. This commitment has been set as an operating policy and implemented by Tropicana since January 2014. As Tropicana is striving to deliver quality products and services, the CONQUAS score on our projects are used as a yardstick to measure the quality of our products against workmanship standards and specifications.

Achieving excellence across all aspects of our operations has always been one of the key factors at Tropicana. In order to remain at the forefront of today’s competitive market, we recognise that our relentless efforts in establishing “Built-In Quality” into our well designed products will be further strengthened by conducting on-going training and education for our employees.

Over the years, we have successfully raised employee awareness and competencies on quality and technical aspects through a series of internal workshops, sharing sessions and technical seminars facilitated by industry specialists. Understanding the importance of continuous learning, our senior management have also played an important role in encouraging our employees to excel, by making time to share experiences and key learnings from completed projects.

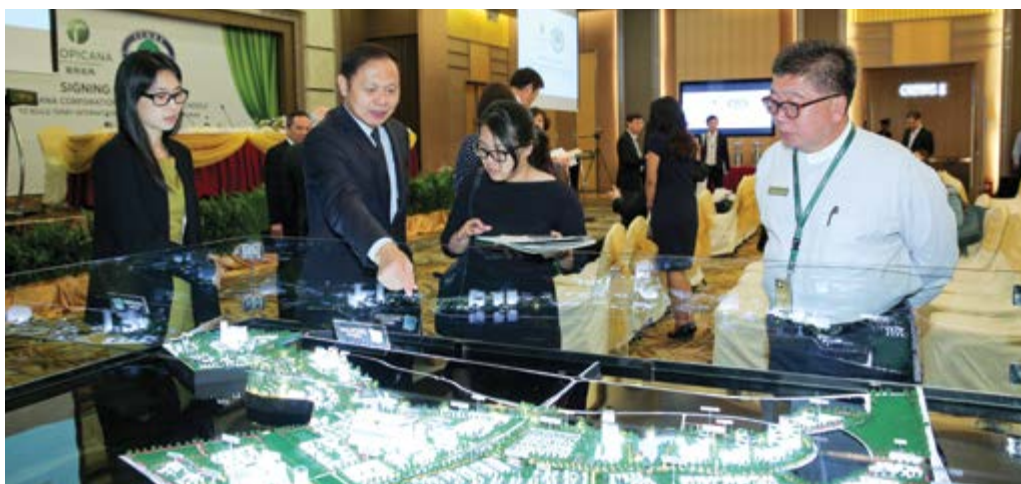
We believe that a key value that has allowed us to make a difference in the industry is our ability to challenge our teams and associates to build their skill sets that allow them to outperform and continually set new benchmarks. We do recognise that a well conceptualised development requires the finest workmanship as this is in line with our objective of delivering premier quality products to our customer. Thus, we acknowledge the importance of growing the capabilities of our contractors through a series of self-driven Quality Benchmark Training (QBT) which challenges and takes the quality workmanship of our contractors up to the next level. Through this process of learning and re-learning, even our business partners such as our contractors and consulting teams, are driven to excel and deliver beyond customer expectations.



At Tropicana, leadership by example to consistently communicate on quality commitment and customer satisfaction in our business are essential to nurture and strengthen a corporate culture which promote the high quality standard of work performance. This was made possible through the relentless efforts and initiatives by our strong leadership team, supported by key personnel together with the commitment from all levels of staff in our organization. We believed “Quality is a shared commitment”.



# INVESTOR RELATIONS



We strive to provide a comprehensive overview of our Group's operations and performance with our shareholders and investment community.



Dato' Yau Kok Seng, Group CEO of Tropicana

## Communications with Shareholders and Investors

At Tropicana, we recognise that constructive corporate disclosure and effective communications with our shareholders and investment community is important. We strive to provide a comprehensive overview of our Group's operations and performance so that they are able to evaluate our prospects. This is in line with our commitment towards creating a strong culture of governance and transparency to uphold the trust and integrity of Tropicana as a public listed company.

Regular and consistent updates are made available to our shareholders and the general public via our annual reports, quarterly announcements of financial results, circulars to shareholders and media releases, all of which can be accessed online through Bursa Malaysia, as well as through the Investor Relations section of our corporate website.

We also engaged with the investment community by organising briefings and meetings on a regular basis to keep the analysts and fund managers abreast with Tropicana's corporate developments and future plans. These are also good avenues for us to receive invaluable feedback from the investment community and to understand their expectations as Tropicana works towards achieving its financial goals and attain its position as a premier property group in Malaysia.

## Proactive Engagement

Proactive engagement with the shareholders and investment community is essential. Their views and concerns remain a critical input to Tropicana in shaping our strategic directions as a company.

Our annual general meetings are the principal forum for interaction with our shareholders, where they are encouraged to query the proposed resolutions as well as the business operations in general. Tropicana look forward to sustaining a healthy dialogue with our shareholders at these general meetings.

Queries on Investor Relations matters can also be directed through our IR webpage where we have a dedicated team to respond to such queries and other IR-related issues raised by both shareholders and the investment community.

Analysts, current and potential investors who have any questions or would like to provide feedback with regards to the Company are encouraged to contact our IR Team members:

Contact Person :

**Foong Pek San**

Email :

**[ir@tropicanacorp.com.my](mailto:ir@tropicanacorp.com.my)**

Telephone :

**03-7710 1018**

We will respond to all received questions, promptly. For latest updates on the Company, shareholders and interested parties are also encouraged to access the Tropicana corporate website at **[www.tropicanacorp.com.my](http://www.tropicanacorp.com.my)** as well as through the Bursa Malaysia Securities website, **[www.bursamalaysia.com](http://www.bursamalaysia.com)**







# RELISHING THE LUXURIOUS HIGH-RISE LIVING

Tropicana is building its most luxurious development to-date, Tropicana The Residences at Kuala Lumpur City Centre. It is strategically located along Jalan Ampang, Kuala Lumpur, one of the most prime locations in Kuala Lumpur at the original Millionaires Row and just two minutes' walk to the Petronas Twin Towers. To give it an edge in the market, Tropicana's plan is to build a unique iconic project offering chic, modernist and fully-furnished luxury residences that will be the first of its kind in Kuala Lumpur.

Built on 1.3 acres of freehold commercial land, the 55-storey tower is designed by one of the most renowned award-winning architects, Skidmore, Owings & Merrill or simply known as SOM. SOM's impressive portfolio includes the Burj Khalifa Tower, One World Trade Centre and they also designed six out of 12 tallest buildings in the world. Tropicana The Residences will be anchoring the first five-star W Kuala Lumpur Hotel in Malaysia – a hotel brand which is recognised for its vibrancy, exclusivity and style.

For more details, please log on to [www.tropicanatheresidences.com](http://www.tropicanatheresidences.com)







Artist's impression





Site photo: Work in progress at Tropicana The Residences



# EVENTS HIGHLIGHTS 2015

## TROPICANA CORPORATION BERHAD

**JAN  
13**



### GEMS EDUCATION

Tropicana entered into a strategic partnership with GEMS Education, a world-renowned global education group to build an international school campus set over five acres at Tropicana Metropark, Subang.

**JAN  
14**



### TROPICANA DONATED RM200,000

Tropicana donated RM200,000 to Pasca Banjir to help bring relief to the East Coast flood victims.

**JAN  
20**



### TROPICANA GARDENS

Tropicana Gardens unveiled the show units for Cyperus Residences, the first serviced residences to feature fully-furnished apartments.

**JAN  
26**



### AGREEMENT WITH AMTRUSTEE BERHAD

Tropicana entered into an agreement with Amtrustee Berhad, acting solely as a trustee for Capitalmalls Malaysia Trust to sell Tropicana City Mall and Tropicana City Office Tower for a cash consideration of RM540 million.

**FEB  
10**



### TROPEZ RESIDENCES

Tropez Residences, the first phase of Tropicana Danga Bay in Iskandar Malaysia was completed ahead of schedule.



## TROPICANA CORPORATION BERHAD

MAR  
6

## FIRST CAMPAIGN FOR 2015

Tropicana launched the first campaign for 2015, the Tropicana Dream Investment Campaign through digital and online platforms.

MAR  
21

## TROPICANA THE RESIDENCES

The Residences, Tropicana's most ambitious development located within the Kuala Lumpur City Centre was launched simultaneously across six countries, namely Malaysia, Singapore, Taiwan, China (Chengdu and Shanghai), Indonesia and Hong Kong.

MAR  
30

## WON TOP 10 DEVELOPER AWARD

Tropicana won Top 10 Developer Award at the inaugural Prestigious Developer Awards, organised by Property Insight Malaysia.

APR  
15

TENAGA KIMIA SDN BHD

TROPICANA WHOLLY OWNED  
TENAGA KIMIA SDN BHD

Tropicana, via wholly owned Tropicana Tenaga Kimia Sdn Bhd, had entered into an agreement to dispose of its entire shareholding of 73% in Tenaga Kimia Sdn Bhd to Austin Powder Asia Pacific for a total cash consideration of RM194.7 million.

TROPICANA AMAN –  
“COME ALONG FOR A RIDE”

Tropicana provided the public with a sneak preview of its new development, Tropicana Aman at Kota Kemuning with a 7km fun ride around the development. Also known as the “Walking and Biking Community”, the Yellow Bike Ride took participants around the development's scenic route.

APR  
19



## TROPICANA CORPORATION BERHAD

**APR  
23**



### TENBY INTERNATIONAL SCHOOL

Tropicana entered into a partnership with Tenby Schools to develop a 10-acre international school campus within the heart of Tropicana Aman at Kota Kemuning.

**MAY  
8**



### ASIA PACIFIC PROPERTY AWARDS 2015

Tropicana won two categories at the Asia Pacific Property Awards 2015. Tropicana Gardens, Kota Damansara received the highest five-star rating for the best mixed-used development in Malaysia and Tropicana Corporation Berhad garnered the highest five-star rating for the Best Developer Website in Malaysia.

**JUN  
3**



### MEDIA PREVIEW AT TROPICANA METROPARK, SUBANG JAYA

Tropicana hosted a media preview at Tropicana Metropark, Subang Jaya, as a platform to highlight the important milestones that transformed an industrial site to a vibrant community of tomorrow.

**JUN  
15**



### TROPICANA METROPARK

Tropicana Metropark hosted its first bazaar, featuring 40 local artists and artisans who traded their bespoke wares and fashionable items.

### 36<sup>TH</sup> ANNUAL GENERAL MEETING

Tropicana held its 36<sup>th</sup> Annual General Meeting at the Tropicana Golf & Country Resort, where it declared a final and single tier share dividend on the basis of 1.3 Treasury share for every 100 existing ordinary share of RM1.00 each for the financial year ended 31 December 2014.

**JUN  
18**





## TROPICANA CORPORATION BERHAD

JUN  
18RETIREMENT OF TAN SRI DATO'  
DANNY TAN CHEE SING

Tropicana announced the retirement of its founder and controlling shareholder, Tan Sri Dato' Danny Tan Chee Sing as Group Executive Vice Chairman, and changes to its boardroom composition.

JUN  
23AWARDED BCI TOP 10  
DEVELOPERS AWARD 2015

Tropicana awarded BCI Asia Top 10 Developers Award 2015 for the third consecutive year.

JUL  
19Lim Kean  
WEEK 1 WINNERHelen Lee  
WEEK 2 WINNERNarentharen  
A/L Selvarajah  
WEEK 3 WINNERYun Siew Fui  
WEEK 4 WINNERKelvin  
John Nathan  
WEEK 5 WINNERChiam Ah Moy  
WEEK 6 WINNERTROPICANA DREAM  
INVESTMENT CAMPAIGN

Tropicana revealed the six winners of the Tropicana Dream Investment Campaign which received positive feedback from customers was launched on 6 March 2015 and ended on 16 April 2015.

JUL  
22TROPICANA LAUNCHED NEW  
GALLERY AT TROPICANA AMAN

To better serve customers, a new 12,000 square feet property gallery which also doubles as a satellite office for Tropicana, was launched at Tropicana Aman, Kota Kemuning.

AUG  
4TROPICANA AMAN –  
“COME ALONG FOR A RIDE 2”

Tropicana Aman's signature event, the Yellow Bike Ride saw more than 500 cyclists taking part in this 12km fun-ride around the development.



## TROPICANA CORPORATION BERHAD



**AUG  
11**

### BRANDPRENEUR LIFE INSPIRED ACHIEVEMENT AWARD

Tropicana won Brand Excellence for Best Property Award and Tan Sri Dato' Danny Tan Chee Sing was honoured with the Brandpreneur Life Inspired Achievement Award at the Brandlaureate Special Edition World Awards 2015.



**AUG  
12**

### TROPICANA HEIGHTS

Tropicana Heights celebrated the completion of West Lake with a two-day Summer Carnival that attracted more than 1,500 guests and customers to the event. West Lake is part of the development's 16-acre Central Park.



**AUG  
12**

### GREENRE GOLD AWARDS

Tropicana's The Residences Kuala Lumpur and Tropicana Avenue was awarded the GreenRE (Green Real Estate) Gold Awards.



**AUG  
21**

### PUTRA BRANDS AWARDS 2015

Tropicana won the Bronze Award in Property Development at the Putra Brands Awards 2015.



**SEP  
18-19**

### MID-AUTUMN CELEBRATIONS

Tropicana held three Mid-Autumn celebrations simultaneously across its new developments, namely Tropicana Metropark, Subang Jaya; Tropicana Heights, Kajang; and Tropicana Aman, Kota Kemuning.



## TROPICANA CORPORATION BERHAD

SEP  
22

## TROPICANA HEIGHTS, KAJANG

A spacious, new 7,500 square feet property gallery and the 16-acre Central Park was unveiled at Tropicana Heights, Kajang. The gallery will also function as the Tropicana Height's satellite office.

SEP  
29TROPICANA  
DONATED  
RM1 MILLION

## TROPICANA DONATED RM1 MIL.

Tropicana donated RM1 million to the Sabah Football Association to further encourage sports development in the state.

OCT  
26

## HIGHEST PROFIT GROWTH 2015

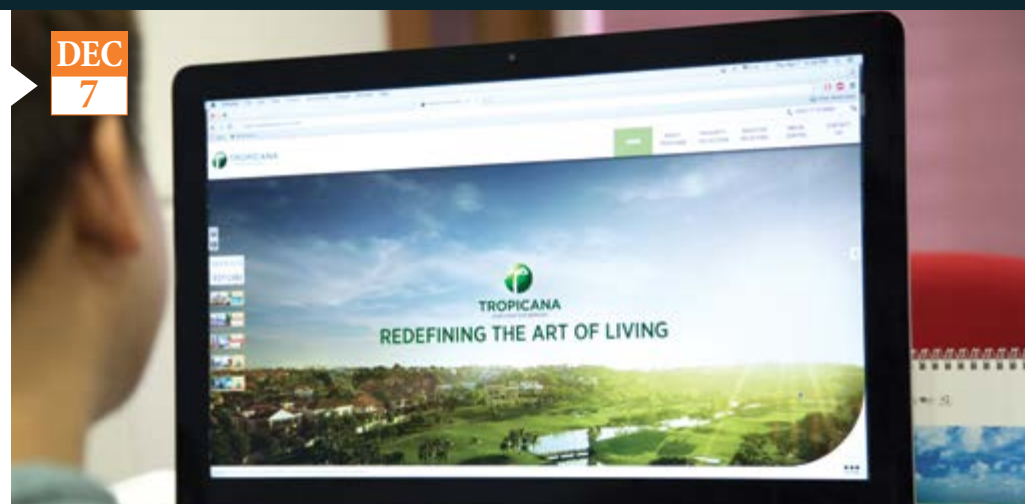
Tropicana took home The Edge Billion Ringgit Club Award 2015 for the Highest Profit Growth Company, the second year in a row.

NOV  
30OUTSTANDING PROPERTY  
ENTREPRENEUR AWARD 2015

Tan Sri Dato' Danny Tan Chee Sing was awarded The Edge Malaysia Outstanding Property Entrepreneur Award at The Edge Property Excellence Awards 2015.

## BEST DEVELOPER WEBSITE

Tropicana won the Best Developer Website Asia Pacific at the prestigious International Property Award Summit in London.

DEC  
7



## TROPICANA CITY MALL



**JAN  
9**

### THE BIG PROPERTY AND INVESTMENT FAIR

Tropicana City Mall played host for The BIG Property and Investment Fair which featured top-notch. Over 40 development projects were showcased during the three-day event.



**JAN 28 - MAR 05**

### CHINESE NEW YEAR CELEBRATIONS

In conjunction with the Chinese New Year celebrations, Tropicana City Mall feted shoppers to "Old Shanghai" theme, featuring antique décor applications, a variety of performance and activities, including workshops for children.



**FEB 18 - MAR 4**

### THE BORDERS BOOK FAIR

The Borders Book Fair conducted at Tropicana City Mall, covering up all kinds genres, with prices as low as RM1. Magazines and goodie bags were also given away to customers.



**MAR 6-8**

### TROPICANA PROPERTY SHOWCASE

The Tropicana Property Showcase was held over three days, allowing potential buyers to get to know about Tropicana and their latest campaigns.



**MAR 26-29**

### TROPICANA CITY MALL HOST WEEKEND PROPERTY FAIR

Tropicana City Mall played host for the Weekend Property Fair with developers like Sime Darby, Low Yat Group, UEM Sunrise and many more taking part. Events and activities were centred on the Eco Green Concept throughout the Fair.



## TROPICANA CITY MALL



APR  
24-26

### THE SELANGOR CHOCOLATE AND CANDY FESTIVAL

The Selangor Chocolate and Candy Festival was held, in conjunction with Visit Selangor Year 2015 and Tourism Selangor's plan to promote the Malaysian chocolate industry at Tropicana City Mall. Around 30 various chocolates and candy brands were showcased while guests were entertained with the many unique activities.



MAY  
1-10

### A 10-DAY MOTHER'S DAY FAIR

In conjunction with Mother's Day celebration, a 10-day Mother's Day Fair was held which saw the participation of many brands. Activities were also held to interest visitors throughout the Fair.

## TROPICANA GOLF &amp; COUNTRY RESORT



JAN  
10

### TROPICANA GOLF & COUNTRY RESORT 22<sup>ND</sup> ANNIVERSARY FAMILY CARNIVAL

More than 800 people, including members and residents gathered to celebrate Tropicana Golf & Country Resort's 22<sup>nd</sup> Anniversary Family Carnival. The celebration was filled with entertaining activities which included wushu demonstrations as well as 30 stalls selling a variety of products.

### CNY KINDYLAND VISIT

Children never fail to bring joy and laughter. The management of Tropicana Golf & Country Resort invited the children of Kindyland for a visit. The children and staff enjoyed a time of fellowship singing Chinese New Year songs as well as giving out angpows and goodies.



JAN  
15



## TROPICANA GOLF & COUNTRY RESORT



**FEB  
13**

### CHINESE NEW YEAR LION DANCE PERFORMANCE

The Lion Dance has always been a symbol of bringing in good luck and fortune. The Annual Chinese New Year Lion Dance was held at the Tropicana Golf & Country Resort's Clubhouse where members and guests were entertained and were visited by the God of Wealth giving out lucky Angpows.



**FEB  
13**

### INTERGOLF TOURNAMENT

Tropicana Golf & Country Resort hosted a friendly Interclub Golf Game between themselves and Vietnam's Heron Lake Golf Course & Resort, one of Tropicana Golf & Country Resort's reciprocal clubs. Heron Lake was represented by its General Manager and 18 other distinguished members.



**JUL  
25**

### FERRARI OWNER'S CLUB ANNUAL BOWLING CHALLENGE

Tropicana Golf & Country Resort played host to The Porsche Club Malaysia (PCM) and Ferrari Owner's Club annual bowling challenge which saw the PCM taking the winning trophy.

### HARI RAYA OPEN HOUSE

Tropicana Golf & Country Resort hosted a Hari Raya open house for 130 children and special needs people from three charity organisations, namely Rumah Amal Cheshire Selangor, PDK Selayang and PDK Lembah Pantai. TGCR donated RM30,000 to each charity while goodie bags and duit raya were distributed to the children. They were all treated to a delicious lunch and entertained by Helmi, the gimmick and balloon sculpture clown.



**AUG  
12**



## TROPICANA GOLF &amp; COUNTRY RESORT

AUG  
27

## MAYBANK REGIONAL GOLF TOURNAMENT

The Maybank Regional Golf Tournament was held for its premium cardholders at Tropicana Golf & Country Resort, which was the preferred venue for the last qualifying round of the tournament.

NOV  
7

## TROPICANA NITERACE

The 6<sup>th</sup> Edition of the popular Nite Race held at Tropicana Golf & Country Resort was nearly a non-event due to the haze but after a change of date, the event was a success to great excitement. The buggy track was turned into a racing track for men, women and children of various ages to take part in the 5km night race.

NOV  
29

## KEJOHANAN GOLF MESRA H20

Tropicana Golf & Country Resort hosted the Kejohanan Golf Mesra H20 for the first time. Guests were impressed with the course as many of the competitors have experienced it before its redesign.

DEC  
8

## THAI ODYSSEY ANNUAL DINNER

Tropicana Golf & Country Resort hosted the Thai Odyssey Annual Dinner at its Grand Ballroom. More than 650 staff attended, celebrating the longevity of its 11<sup>th</sup> year in business.

DEC  
31

## NEW YEAR'S EVE COUNTDOWN

Tropicana Golf & Country Resort ended the year in the style of the Great Gatsby with a gala dinner event held the Grand Ballroom. The event was attended by many of the club members dress in 50s' costumes.





GEMS

International School

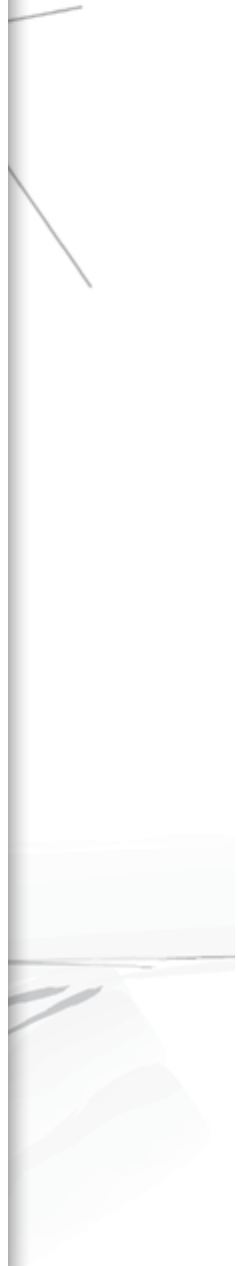
TROPICANA METROPARK





# REFORTIFYING EDUCATIONAL EXCELLENCE

At Tropicana, we have always been working in sync with the pulse of the local communities and Tropicana homeowners. Building a school is a sign of our commitment to not just creating harmonious partnerships for the benefit of our customers but ultimately, to also create an ideal and vibrant townships that are strategic and holistic in nature. Our aim is to create more value in our townships as well as to provide education excellence to the students. In the past two years, we have since partnered with:-

1. St Joseph to build St Joseph's Institution International School Malaysia (Tropicana PJ Campus) or otherwise known as SJII Malaysia within the 409-acre Tropicana Indah Resort Homes, Petaling Jaya. Tropicana will build SJII Malaysia that comes complete with world-class facilities on a six-acre plot of land with a built-up area of approximately 333,000 square feet. The school will be operated by Lasallian Asian Partnerships for International Schools (LAPIS) and will be able to accommodate up to 1,500 local and international students. Construction will be completed by March 2016, with the first intake expected in August 2016. For more information of SJII Malaysia, please log on to [www.sji-international.edu.my](http://www.sji-international.edu.my)
  2. GEMS Education to develop GEMS International School in the 88-acre Tropicana Metropark, Subang Jaya. An international school campus complete with world-class facilities on a five-acre plot of land with a built-up area of approximately 229,000 square feet will be built by Tropicana within the Tropicana Metropark development. The school will be operated by GEMS Education upon completion in 2017, with the first intake expected in September 2017. The school will be able to accommodate up to 2,400 local and international students aged three to 18. For more information, please log on to [www.gemseducation.com](http://www.gemseducation.com)
  3. Tenby Schools to construct Tenby International School in the 863-acre mixed township of Tropicana Aman, Shah Alam. Built by Tropicana, the planned 10-acre international school campus with a built-up area of approximately 225,000 square feet will accommodate up to 1,800 local and international students. The school is expected to have its first intake in September 2018, offering international student-oriented programmes for students aged from three to 18 years old. For more information, please log on to [www.tenby.edu.my](http://www.tenby.edu.my)
- 





Artist's impression





Site photo: Work in progress of SJII campus



# STATEMENT ON CORPORATE GOVERNANCE

The Board of Directors of Tropicana Corporation Berhad (“**Tropicana**” or “**Company**”) is committed to maintain high standards of corporate governance to protect and enhance the shareholders’ value as well as the continued growth and success of the Company and its subsidiaries (“**Group**”). The Board supports the principles and recommendations of the Malaysian Code on Corporate Governance 2012 (“**MCCG 2012**”) issued by the Securities Commission of Malaysia. The Board will continue to review the existing corporate governance practices throughout the Group and to undertake appropriate actions in embedding the principles and recommendations of the MCCG 2012 in its existing corporate governance practices in achieving excellence in corporate governance.

This statement, which is made pursuant to paragraph 15.25 of the Main Market Listing Requirements (“**MMLR**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”), sets out the extent to which the Group has applied the principles and the recommendations of the MCCG 2012 throughout the financial year ended 31 December 2015 (“**FY2015**”).

## BOARD OF DIRECTORS

### Composition of the Board

Throughout the FY2015, the Board composition complies with paragraph 15.02 of the MMLR of Bursa Securities whereby at least one-third of the Board must be made up of Independent Directors. The Board, as at the date of this statement, consists of eight (8) members made up of four (4) Independent Non-Executive Directors and four (4) Executive Directors.

The Board comprises members from diverse backgrounds ranging from property development, property investment, finance, audit, legal, business management and public administration, all of which provide the Group with a wealth of expertise, experiences and networks to draw upon. The profiles of the Directors are set out in pages 37 to 41 of this annual report.

There is a clear division of responsibilities at the head of the Company. The Independent Non-Executive Chairman represents the Board to the shareholders and is responsible for the effective running of the Board. In his absence, the Independent Non-Executive Chairman is assisted by the Deputy Chairman. The Group Chief Executive Officer, assisted by the Deputy Group Chief Executive Officer and the Executive Directors are fully responsible for the effective running of the Group’s operations and the implementation of the Board’s policies and decisions. The presence of a sizable number of experienced Independent Non-Executive Directors ensures proper check and balance in the Board, and provides unbiased and independent views, advice and judgement, besides playing key supporting roles. The clear distinction of responsibilities between the Chairman and the Group Chief Executive Officer ensures a balance of power and authority, such that no individual or small group of individuals can dominate the Board’s decision making. It is mandatory for all members of the Board to declare any of their interests in the transactions undertaken by the Group. In such instances, the interested Director(s) shall abstain from deliberation and the decision-making process.

### Duties and responsibilities of the Board

The Board assumes the following principal responsibilities in discharging its fiduciary and leadership functions:-

- reviews and adopts the strategic plan for the Group;
- oversees the conduct of the Group’s business to determine whether the business is being properly managed;
- identifies principal risks and ensures the implementation of appropriate systems to manage these risks;
- establishes a succession plan for the Company;
- oversees the development and implementation of an investor relations programme or shareholder communications policy for the Company;
- reviews the adequacy and the integrity of the Group’s internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines;
- ensures that the Company’s financial statements are true and fair and conform with the laws; and
- ensures that the Company adheres to high standards of ethics and corporate behaviour.



The Board is also mindful of the importance of building a sustainable business and therefore, takes into consideration its environmental, social and governance impact when developing the corporate strategy of the Group. The Company's activities in corporate social responsibilities for the year under review are disclosed in pages 46 to 49 of this annual report.

### Ethics and Codes

The Board acknowledges its leadership role in creating ethical values and observing ethical conduct. The Board adopts and observes the Code of Ethics for Company Directors established by the Companies Commission of Malaysia, as the Board is fully supportive of the principles of the said Code of Ethics and finds it suitable for the Company to uphold the same principles. A copy of the said Code of Ethics can be found in the Board Charter marked as "Appendix I" in the Group's website at [www.tropicanacorp.com.my](http://www.tropicanacorp.com.my).

### Board Charter

The Board is accountable and responsible for the performance and governance activities of the Group with a view of protecting shareholders' value and recognising the interests of all other stakeholders namely customers, suppliers, contractors, employees, regulators, members of the communities and all others with whom Tropicana interfaces.

The Board Charter is intended to identify the role, structure and processes related to key governance activities of the Board. It serves as a reference point for Board activities. It is designed to provide guidance and clarity for Directors and management with regard to the role of the Board and its committees, the roles of the top key positions of the Company, the requirements of Directors in carrying out their roles and in discharging their duties towards the Company as well as the Board's operating practices. A copy of the Board Charter is available at the Group's website [www.tropicanacorp.com.my](http://www.tropicanacorp.com.my).

### Board Meetings

The Board meets at least once every quarter on a scheduled basis and additional meetings will be convened as and when deemed necessary by the Board. The quarterly Board meetings are scheduled in advance around the commencement of the financial year to allow the Directors to plan their appointments ahead and endeavours to facilitate full attendance at Board meetings. All proceedings, deliberations and conclusions of Board meetings are minuted by the Company Secretary and are confirmed by the Board members at the next Board meeting and subsequently signed by the Chairman of the next Board meeting as the correct record of the proceedings of the meeting, or signed by the Chairman of the meeting at which the proceedings were held.

A total of six (6) Board meetings were held during the financial year ended 31 December 2015. Attendance record of each Board member is set out below:-

Names of Directors	Attendance*
Tan Sri Rastam Bin Mohd Isa	6/6
Datuk Seri Mohamad Norza Bin Zakaria ( <i>appointed on 18 June 2015</i> )	3/3
Dato' Yau Kok Seng	6/6
Dato' Dickson Tan Yong Loong	6/6
Dillon Tan Yong Chin	6/6
Dion Tan Yong Chien ( <i>appointed on 18 June 2015</i> )	3/3
Tan Sri Othman Bin Abd Razak ( <i>appointed on 18 April 2016</i> )	Not Applicable
Dato' Gan Nyap Liou @ Gan Nyap Liow	4/6
Datuk Tang Vee Mun	5/6
Tan Sri Dato' Tan Chee Sing ( <i>resigned on 18 June 2015</i> )	3/3
Dato' Ng Tian Sang @ Ng Kek Chuan ( <i>retired on 18 June 2015</i> )	2/2
Datuk Seri Panglima Mohd Annuar Bin Zaini ( <i>retired on 18 June 2015</i> )	2/2
Diana Tan Sheik Ni ( <i>resigned on 18 June 2015</i> )	2/3
Datuk Kong Woon Jun ( <i>resigned on 5 December 2015</i> )	5/6
Kok Kong Chin ( <i>resigned on 29 January 2016</i> )	6/6

\*Number of meetings attended / Number of meetings held during his tenure as Director



All the Directors have complied with the minimum 50% attendance requirement in respect of Board meetings as stipulated in the MMLR of Bursa Securities. In the intervals between Board meetings, for any matters requiring Board's decisions, Board's approvals are obtained through circular resolutions. The resolutions passed by way of such circular resolutions were then noted in the next Board meetings.

The Directors are to allocate sufficient time to the Company to perform their duties effectively including being prepared for the meetings and contributing effectively to the business of the Company. They should notify the Board before accepting any new directorships and such notification should include an indication of time that will be spent on the new appointment.

### **Supply of Information**

The Directors have full and unrestricted access to all information pertaining to the Group's business and affairs to enable them to discharge their duties. All Directors are provided with reports and other relevant information on timely manner, covering various aspects of the Group's operations and performance. They are also provided with an agenda and a set of board papers pertaining to agenda items prior to Board meetings to allow sufficient time for the Directors to review, consider and deliberate on the issues and, where necessary, to obtain further information and explanations to facilitate informed decision making.

The management is responsible for furnishing the Board with all information that may assist the Board in discharging its responsibilities and to facilitate informed decision making. The Company Secretary, who is qualified and experienced, attends all Board meetings and ensures that accurate and adequate records of the proceedings of the Board meetings and decisions made are properly recorded. Senior management of the Group, external auditors and advisors are also invited to attend Board meetings on specific items on the agenda which require clarification. The Board will also be briefed on latest updates on the Group's business activities.

All Directors have access to the advice and services of the Company Secretary and senior management and may seek independent professional advice, at the Company's expense, if required, in furtherance of their duties.

The Company Secretary is responsible for ensuring the Board meeting procedures are followed and that applicable rules and regulations are complied with. The Company Secretary updates the Directors on any new changes and development to the statutory or regulatory requirements concerning their duties and responsibilities as well as general statutory compliances whenever the changes arise.

### **Appointment and Re-Election to the Board**

In accordance with the Company's Articles of Association ("**Articles**"), all Directors who are appointed by the Board either to fill a casual vacancy or as an addition to the existing Directors are subject to re-election by shareholders at the Annual General Meeting ("**AGM**") following their appointment. The Articles also provide that at least one-third of the remaining Directors be subject to re-election by rotation at each AGM, including the Group Chief Executive Officer, Deputy Group Chief Executive Officer, Group Managing Directors and Executive Directors provided always that all the Directors shall retire from their office at least once every three years. All retiring Directors are eligible to offer themselves for re-election at the AGM. Directors over 70 years of age will be required to submit themselves for re-appointment annually in accordance with Section 129(6) of the Companies Act, 1965.

The Board continuously reviews its size and composition with particular consideration on its impact on the effective functioning of the Board.

Any proposed candidate for the appointment as Director of the Board will be recommended by the Nomination Committee to the Board for full deliberation.

During the financial year under review, the Independent Non-Executive Directors did a self-evaluation of their independence based on the criteria of independence of the MMLR of Bursa Securities and the Board had reviewed and assessed the results of the said self-evaluation. The Board Charter indicates the restriction for the tenure of an Independent Director to a cumulative term of nine (9) years. However, an Independent Director may continue to serve the Board upon reaching the 9-year limit subject to the Independent Director's re-designation as a Non-Independent Non-Executive Director. In the event the Board intends to retain the Director as Independent after the latter has served a cumulative term of nine (9) years, the Board must justify the decision and seek shareholders' approval at general meeting. In justifying the decision, the Nomination Committee is entrusted to assess the candidate's suitability to continue as an Independent Non-Executive Director based on the criteria on independence.



## Directors' Training

All existing Directors have attended the Mandatory Accreditation Programme ("MAP") prescribed by Bursa Securities. The Directors are encouraged to attend continuing education programmes and seminars to keep abreast with current developments in the market place and with new statutory and regulatory requirements. They are provided with updates from time to time on relevant new laws and regulations affecting their directorships and relevant compliances.

The Directors of the Company, who attended training programmes during the FY2015, are enlisted as below:-

Names of Directors	Titles of Seminars/ Workshops/ Courses
Tan Sri Rastam Bin Mohd Isa	<ul style="list-style-type: none"> <li>Strengthening the Board's Role in Setting a Right High Performance Culture</li> <li>Board Chairman Series Part 2: Leadership Excellence from the Chair</li> </ul>
Datuk Seri Mohamad Norza Bin Zakaria (appointed on 18 June 2015)	<ul style="list-style-type: none"> <li>Corporate Compliance: Focusing on Directors' Duties, Liabilities and Expectations</li> <li>MIA International Accountants Conference 2015</li> </ul>
Dato' Yau Kok Seng	<ul style="list-style-type: none"> <li>Asean Capital Market CEO Summit 2015</li> <li>Briefing on the amendments to the Housing Development (Control &amp; Licensing) Act 1966 and the Strata Management Act 2013</li> <li>HSBC Forum: Renminbi and China's Global Future</li> </ul>
Dato' Dickson Tan Yong Loong	<ul style="list-style-type: none"> <li>Briefing on the amendments to the Housing Development (Control &amp; Licensing) Act 1966 and the Strata Management Act 2013</li> </ul>
Dillon Tan Yong Chin	<ul style="list-style-type: none"> <li>Overview of the Anti-Money Laundering &amp; Anti-Terrorism Financing Act 2001</li> </ul>
Dion Tan Yong Chien	<ul style="list-style-type: none"> <li>MAP</li> </ul>
Dato' Gan Nyap Liou @ Gan Nyap Liow	<ul style="list-style-type: none"> <li>Bursa Training: Corporate Governance</li> <li>World Business Forum</li> <li>Capital Market - Director Program</li> <li>Wild Digital Conference</li> <li>World Capital Markets Symposium</li> </ul>
Datuk Tang Vee Mun	<ul style="list-style-type: none"> <li>CIMB: Economic Outlook - Global and Indonesia</li> <li>Indonesian Recent Economic and Fiscal Development</li> </ul>

## Board Committees

During the FY2015, the Board has delegated specific responsibilities to several committees, namely the Audit Committee, Nomination Committee, Remuneration Committee, Option Committee, Risk Management Committee, Executive Committee and Pricing Committee. These Committees operate within their respective defined terms of reference approved and specific authority delegated by the Board. The Chairman of the respective Committees will report to the Board the outcome of each Committee meeting and the reporting of the outcome will be minuted accordingly. The Board, however, retains full responsibility for the final decision on all matters, save for the Pricing Committee, which is empowered by the Board to make decision within its terms of reference.

### (i) Audit Committee

As at the date of this statement, the Audit Committee consists of three (3) Independent Non-Executive Directors, two of whom are qualified Accountants. The members of the Audit Committee are as follows:-

- Datuk Seri Mohamad Norza Bin Zakaria (Chairman)
- Datuk Tang Vee Mun
- Dato' Gan Nyap Liou @ Gan Nyap Liow



The Audit Committee assists and supports the Board in fulfilling its fiduciary responsibilities in terms of the Group's applicable financial reporting standards, practices, accounting policies, internal controls, business ethics policies and in assessing the suitability and independence of the Group's external and internal auditors.

Every year, the external auditors, at one of the Audit Committee meetings, would confirm to the Audit Committee members their independence throughout the conduct of the audit engagement with the Company in accordance with the independence criteria set out by the Malaysian Institute of Accountants. It is a policy of the external auditor firm to rotate the partner-in-charge after five (5) years of audit engagement with the Company.

The Audit Committee met four (4) times during the FY2015. The activities of the Audit Committee for the FY2015 are reported in the Audit Committee Report as set out in page 79 of this annual report.

The Audit Committee Report is set out in pages 78 to 80 of this annual report.

(ii) Nomination Committee

The Nomination Committee, as at the date of this statement, comprises the following three (3) members, all being Independent Non-Executive Directors:-

- Dato' Gan Nyap Liou @ Gan Nyap Liow (Chairman)
- Datuk Seri Mohamad Norza Bin Zakaria
- Datuk Tang Vee Mun

The Nomination Committee has been given the responsibility to recommend new appointments to the Board and Board Committees of Tropicana as well as the Board of the entities where the Company has interests. The Nomination Committee reviews the evaluation process and evaluation forms for all Board members to participate in the annual evaluation of the effectiveness of the Board, Board Committees and the contribution of each Director.

The selection criteria of members for Board composition is primarily based on the merits of competency, knowledge, experience, expertise, skill, character, integrity and time commitment of the candidates as well as taking into consideration gender, ethnicity and age.

The Nomination Committee makes no decision on behalf of the Board but makes recommendations to the Board for approval.

The Nomination Committee met two (2) times during the FY2015. The activities of the Nomination Committee in the discharge of its duties for the FY2015 were as follows:-

- (a) Reviewed the results evaluating the effectiveness of the Board as a whole, the effectiveness of the Board Committees, the contributions of each individual Director and the independence of the Independent Directors, taking into consideration the required skills mix, experience, competence, integrity and other requisite qualities, including core competencies contributed by Non-Executive Directors. The Board evaluations carried out were properly documented;
- (b) Considered and recommended candidates for appointment as Directors to the Board; and
- (c) Considered and recommended changes to the compositions of the Board and Board Committees following the resignations and appointments of Directors of the Company.

The Nomination Committee had, at its meeting held in January 2016, reviewed the training needs of the Directors of the Company.

## (iii) Remuneration Committee

As at the date of this statement, the Remuneration Committee comprises three (3) Independent Non-Executive Directors, the Deputy Group Chief Executive Officer and an Executive Director, the majority of whom are Independent Non-Executive Directors. They are as follows:-

- Dato' Gan Nyap Liou @ Gan Nyap Liow (Chairman)
- Datuk Seri Mohamad Norza Bin Zakaria
- Datuk Tang Vee Mun
- Dato' Dickson Tan Yong Loong
- Dion Tan Yong Chien

The Remuneration Committee assists the Board in its responsibilities of assessing the remuneration packages of the Directors of the Company and key personnel of the Group.

The policy practised on Directors' remuneration by the Remuneration Committee is that the level of remuneration should be sufficient to attract, motivate and retain Directors of the quality required to effectively manage the businesses of the Group. As for Non-Executive Directors, the fees reflect the experience and level of responsibilities undertaken by the Non-Executive Directors concerned. All Directors had abstained from discussion and decision on their own remuneration.

The Remuneration Committee met three (3) times during the FY2015 mainly to review the remuneration packages of the Executive Directors of the Company and to review proposed revisions to the terms of reference of the Remuneration Committee.

The details of the remuneration of the Directors of the Company for the FY2015 were as follows:-

Category	Fees (RM'000)	Salaries and Other Emoluments (RM'000)	Bonus (RM'000)	Defined Contribution Plan (RM'000)	Total (RM'000)
Executive Directors	1,275*	9,340	2,201	1,377	14,193
Non-Executive Directors	874	-	-	-	874

(The above disclosures include all Directors who held office during the FY2015)

( \*Included fees received from a jointly controlled entity)



The aggregate remuneration of the Directors of the Company categorised into appropriate bands of RM50,000 were as follows:-

Range of Remuneration	No. of Directors	
	Executive Directors	Non-Executive Directors
RM50,001 – RM100,000	-	2
RM100,001 – RM150,000	-	3
RM350,001 – RM400,000	-	1
RM650,001 – RM700,000	1	-
RM700,001 – RM750,000	1	-
RM1,350,001 – RM1,400,000	1	-
RM1,400,001 – RM1,450,000	1	-
RM2,050,001 – RM2,100,000	1	-
RM2,200,001 – RM2,250,000	1	-
RM2,300,001 – RM2,350,000	1	-
RM2,650,001 – RM2,700,000	1	-

*(The above disclosures include all Directors who held office during the FY2015)*

(iv) Option Committee

The Option Committee, established to administer the Company's Employee Share Option Scheme ("ESOS"), has been dissolved following the expiry of the ESOS on 20 September 2015.

(v) Risk Management Committee

The Risk Management Committee ("RMC") shall comprise not fewer than five (5) members. As at the date of this statement, the RMC comprises the following members:-

- Datuk Tang Vee Mun (Chairman)
- Datuk Seri Mohamad Norza Bin Zakaria
- Dato' Yau Kok Seng
- Dato' Dickson Tan Yong Loong
- Dion Tan Yong Chien

The responsibilities of the RMC for risk oversight include, amongst others, to set out the objectives, strategy and scope of risk management activities for the Group and to ensure that the Group's risk management strategy and methodology have been implemented and consistently applied.

The Risk Management Committee held four (4) meetings during the financial year to review the quarterly risk profiles of Tropicana Group and to review and recommend the Statement of Risk Management and Internal Control for the Board's approval.

## (vi) Executive Committee

The Executive Committee (“EXCO”) is made up of at least one Independent Non-Executive Director and all Executive Directors of the Tropicana Board. The members, as at the date of this statement, are as follows:-

- Datuk Seri Mohamad Norza Bin Zakaria (Chairman)
- Dato’ Yau Kok Seng
- Dato’ Dickson Tan Yong Loong
- Dillon Tan Yong Chin
- Dion Tan Yong Chien

The EXCO provides oversight of key strategic activities of the Group and holds the primary authority in the management of the Group’s operations and strategic policy implementation, subject to the Board’s approval of the policies.

## (vii) Pricing Committee

The Pricing Committee shall comprise no fewer than five (5) members, majority of whom shall be Executive Directors and a minimum of two (2) Non-Executive Directors. As at the date of this statement, the members are as follows:-

- Dato’ Gan Nyap Liou @ Gan Nyap Liow (Chairman)
- Datuk Tang Vee Mun
- Dato’ Yau Kok Seng
- Dato’ Dickson Tan Yong Loong
- Dion Tan Yong Chien

The principal objective of the Pricing Committee is to approve the minimum/net selling prices of the new launches of properties to be developed by Tropicana Group to ensure the prices set are market driven.

## SHAREHOLDERS

### Communications with Shareholders and Relationship with Investors

Tropicana Group recognises and practices transparency and accountability to its shareholders and investors. As such, the Group ensures timely dissemination of information through appropriate channels of communications to shareholders and investors to ensure that they are properly informed of major developments of the Group. Such information is communicated to them through the annual reports, press releases and the various disclosures and announcements made to Bursa Securities from time to time, including the quarterly and annual results. These information and documents are accessible on Bursa Malaysia’s website at [www.bursamalaysia.com](http://www.bursamalaysia.com). The Company attends to the requests of analysts and fund managers for briefings from time to time.

Tropicana’s website at [www.tropicanacorp.com.my](http://www.tropicanacorp.com.my) also provides an avenue for shareholders and members of the public to access information pertaining to Tropicana Group, which is being updated regularly.

Dato’ Gan Nyap Liou @ Gan Nyap Liow is the Senior Independent Non-Executive Director, whose primary function is to facilitate any concerns of the shareholders of the Company.



### **General Meetings**

The Company's AGMs are the principal forum for dialogue and interaction with its shareholders at which the shareholders are annually informed and updated on current developments of Tropicana Group. The Board presents an overview of the performance of businesses in Tropicana Group and encourages shareholders to participate in the question and answer sessions. The Board members, senior management and the Company's external auditors as well as advisors, if applicable, are available to respond to shareholders' questions during the meeting. Shareholders are also informed of their right to demand for a poll.

The results of all resolutions proposed at general meetings are announced to Bursa Securities.

## **ACCOUNTABILITY AND AUDIT**

### **Financial Reporting**

The Board is responsible for ensuring that all financial statements of the Company and the Group are drawn up in accordance with the applicable approved accounting standards in Malaysia and the provisions of the Companies Act, 1965 so as to give a true and fair view of the state of affairs and the results of the Company and of the Group. The Board is committed to providing a clear, balanced and comprehensive meaningful assessment of the Group's financial performance and prospects, primarily through the annual financial statements and quarterly announcements of results to shareholders. The Group's audited financial statements for the FY2015 are presented in pages 82 to 209 in this annual report.

### **Risk Management and Internal Control**

The Board has overall responsibility for maintaining a sound system of internal controls which includes financial controls, operational and compliance controls and risk management to safeguard shareholders' interest and the Company's assets. The Group's system of internal control is regularly reviewed to ensure its effectiveness. While acknowledging its responsibility for the system of internal control, the Board is aware that such a system cannot totally eliminate risks and thus, can never be an absolute assurance against the Group failing to achieve its objectives.

The Board has established an internal audit function and identified a head of internal audit, who reports directly to the Audit Committee.

The Group's Statement on Risk Management and Internal Control for the FY2015 is set out in pages 76 to 77 of this annual report.

### **Relationship with External Auditors**

The Board, through the Audit Committee, has always maintained a formal and transparent relationship with the external auditors. The Audit Committee meets up with the external auditors to discuss the audit planning memorandum and their audit findings. The Audit Committee also engages in private sessions with the external auditors without the presence of the Executive Directors and employees of the Company or the Group.

This statement is made in accordance with a resolution of the Board dated 13 April 2016.

# ADDITIONAL COMPLIANCE INFORMATION

## STATUS OF UTILISATION OF PROCEEDS RAISED FROM ANY CORPORATE PROPOSAL

Tropicana Corporation Berhad (“Tropicana”) did not raise and did not have any balance of any proceeds from any corporate proposal during the financial year ended 31 December 2015 (“FY2015”).

## SHARE BUY-BACK

During the FY2015, the Company bought back a total of 7,716,600 shares of RM1.00 each from the open market. Details of the shares bought back during the financial year were as follows:-

Month	Number of shares bought back and held as treasury shares	Price paid per share (RM)			Total consideration (RM)
		Highest	Lowest	Average	
September	771,200	0.950	0.865	0.9075	696,753.65
October	536,600	0.975	0.930	0.9525	516,879.95
November	5,695,500	0.990	0.945	0.9675	5,466,656.42
December	713,300	0.995	0.960	0.9775	704,408.24

All the 7,716,600 shares bought back during the FY2015 are held as treasury shares. None of the treasury shares were resold or cancelled during the financial year.

## WARRANTS 2009/2019

Tropicana did not issue any warrants and there were no exercise of warrants during the FY2015.

## NON-AUDIT FEES

The total amount of non-audit fees incurred for services rendered to the Company and its subsidiaries for the FY2015 by the Company's external auditors, Messrs Ernst & Young or their affiliates was RM31,993.

## OPTIONS

During the FY2015, there were no options granted to the eligible employees and Directors of the Group. A total of 343,800 share options were exercised during that period.

## VARIANCE IN RESULTS

There was no profit estimate, forecast or projection made by the Company for the FY2015.

## CONVERTIBLE SECURITIES

There was a conversion of RM76,281,435 nominal value of redeemable convertible unsecured loan stocks (“RCULS”) into 50,854,290 ordinary shares of RM1.00 each in Tropicana at the conversion price of RM1.50 per RCULS during the financial year under review. Consequent thereto, there is no more outstanding RCULS.

There was no deviation of 10% or more in the profit after tax and minority interest between the Group's unaudited results previously announced and the audited results for the FY2015.

## PROFIT GUARANTEE

The Company did not receive any profit guarantee during the FY2015.

## DEPOSITORY RECEIPT PROGRAMME

The Company did not sponsor any Depository Receipt Programme during the FY2015.

## MATERIAL CONTRACTS INVOLVING DIRECTORS AND MAJOR SHAREHOLDERS

Neither the Company nor any of its subsidiaries had entered into any material contracts (not being contracts entered into in the ordinary course of business) which involved Directors' and/or major shareholders' interests, either still subsisting at the end of the FY2015, or entered into since the end of the previous financial year.

## SANCTIONS AND/OR PENALTIES

No sanctions or penalties were imposed on the Company or its subsidiaries, Directors or management by the relevant regulatory bodies during the FY2015.



# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## INTRODUCTION

Pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements (“MMLR”) and guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, the Board of Directors is pleased to present herewith the Statement on Risk Management and Internal Control.

## BOARDS’ RESPONSIBILITY

The Board affirms its overall responsibility for the Group’s system of risk management and internal control, including the assurance of its adequacy and integrity, and its alignment with business objectives.

There is an on-going review process by the Board to ensure the adequacy and effectiveness of the Group’s risk management and internal control system which has been embedded in all aspects of the Group’s activities.

Due to limitations that are inherent in any systems of risk management and internal control, these systems adopted by the Group are designed to manage rather than to eliminate the risk of failure to achieve business objectives. These systems can only provide reasonable but not absolute assurance against any material misstatement or loss. However, the extent of responsibility does not extend to include that of the Group’s associated companies for the purpose of this review.

## RISK MANAGEMENT AND INTERNAL CONTROL PROCESSES

### RISK MANAGEMENT PROCESSES

The Board acknowledges all activities of an organization involve risk and the increased complexity of today’s business risk profile coupled with the macroeconomic headwinds has meant that the ability to effectively manage risk and release potential business benefit has become ever more important.

Hence, the Group has in place an Enterprise Risk Management (“ERM”) program that addresses key risks across the companies; ensure Group’s ERM capabilities are at the level of best practices and are well adapted to the company’s business culture.

The ERM Framework is regularly reviewed by the Risk Management Committee (“RMC”). The responsibilities and detailed administrative duties of the RMC are set out in the Board-approved Risk Management Committee’s Terms of Reference.

Continuous risk assessment is fundamental to the Group’s risk management processes. All Head of Division and subsidiaries are tasked with reporting major risks on a quarterly basis, all identified risks and the controls for managing them are documented in the Risk Register. The Risk Management Department will summarise the significant items and incorporating macro headwinds into Group Risk Profile. This will then be presented to the RMC for their consideration and further action(s) to be taken.

The continuous risk management processes will enable the Group to achieve its business objectives and help maintain the Company’s reputation, while facilitating compliance with corporate governance best practices.

### INTERNAL CONTROL PROCESSES

#### 1. Board Committees

Clear roles of the Board and Board Committees are stated under the Statement of Corporate Governance section of this Audit Report. These Committees, which include Audit Committee, Nomination Committee, Remuneration Committee, Option Committee, Risk Management Committee and Executive Committee, operate within their respective defined terms of reference approved and specific authority delegated by the Board.

#### 2. Organisational Structure and Responsibility Levels

There is in place an organizational structure that is aligned with its business and operational requirements, with clearly defined lines of accountability and has strict authorization, approval and control procedures which provide a sound framework. Responsibility levels are communicated throughout the Group which set out, amongst others, authorization level, segregations of duties and other policies and procedures.

**3. Authority Levels**

Proper procedures governing the authority limits are effectively employed within the Group to govern and manage the business decision making process. These procedures are continuously reviewed and updated periodically to meet changing business and operational needs and regulatory requirements.

**4. Competency and Talent Management**

To establish the Group's culture of continuous learning, there are policies and procedures for recruitment, performance appraisals and promotion to ensure that suitably qualified and competent personnel are hired and retained.

**5. Senior Management Meetings**

Scheduled meetings of senior management which comprises of the Group Chief Executive Officer, Deputy Group Chief Executive Officer, Managing Directors, Executive Directors and all divisional heads are conducted periodically to ensure effective implementation of all major decisions and business objectives are met.

**6. Financial Performance**

For effective monitoring and decision making, management accounts and reports which compares against the approved budget are prepared on a monthly basis for review by the senior management. The Board monitors the Group's performance by reviewing the quarterly results and examines the announcement to be made to the Bursa Malaysia Sdn Bhd ("BMSB"). These results are reviewed by the Audit Committee before they are tabled to the Board.

**7. Monitoring and Review**

The Group's Internal Audit Department ("IAD") reports to the Audit Committee. The IAD monitors compliance with the Group's policies and procedures and applicable law and regulations, and provides assurance on the adequacy and effectiveness of the internal control system by conducting regular audits and continuous assessments. Significant audit findings and recommendations for improvement are highlighted to senior management and the Audit Committee, with periodic follow-up reviews of the implementation of corrective plans.

**REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS**

The External Auditors have performed limited assurance procedures on this Statement on Risk Management and Internal Control pursuant to the scope set out in Recommended Practice Guide ("RPG") 5 (Revised), Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysia Institute of Accountants ("MIA") for inclusion in the Annual Report of the Group for the year ended 31<sup>st</sup> December 2015, and reported to the Board that nothing has come to their attention that causes them to believe the statement intended to be included in the Annual Report is not prepared, in all material respects, in accordance with the disclosures required by paragraph 41 and 42 of the Guidelines, nor is the Statement factually inaccurate.

RPG 5 does not require the External Auditors to consider whether the Directors' Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Directors and management thereon. The report from the External Auditors was made solely for, and directed solely to the Board of Directors in connection with their compliance with the listing requirements of Bursa Malaysia Securities Berhad and for no other purposes or parties. The External Auditors do not assume responsibility to any person other than the board of directors in respect of any aspect of this report.

**CONCLUSION**

In line with the Guidelines, the Group Chief Executive Officer and Chief Financial Officer have provided assurance to the Board that the Group's risk management and internal control systems have operated adequately and effectively, in all material aspects to meet the Group's objectives during the financial year under review. There were no material control failures or adverse compliance events that have directly resulted in any material loss to the Group.

This Statement on Risk Management and Internal Control is made in accordance with the resolution of the Board of Directors dated 13 April 2016.



# AUDIT COMMITTEE REPORT

The Board of Directors of Tropicana Corporation Berhad (“**Tropicana**” or “**Company**”) presents the Audit Committee Report of Tropicana for the financial year ended 31 December 2015 (“**FY2015**”) as follows:-

## A. COMPOSITION OF THE AUDIT COMMITTEE

The Audit Committee comprised the following Directors during the FY2015:-

	Attendance*
<b>Datuk Seri Mohamad Norza Bin Zakaria</b> (Chairman / Independent Non-Executive Director) (appointed on 18 June 2015)	2/2
<b>Dato’ Gan Nyap Liou @ Gan Nyap Liow</b> (Member / Senior Independent Non-Executive Director)	3/4
<b>Datuk Tang Vee Mun</b> (Member / Independent Non-Executive Director)	3/4
<b>Dato’ Ng Tian Sang @ Ng Kek Chuan</b> (Chairman / Senior Independent Non-Executive Director) (ceased on 18 June 2015)	2/2
<b>Datuk Seri Panglima Mohd Annuar Bin Zaini</b> (Member / Independent Non-Executive Director) (ceased on 18 June 2015)	1/2

\*Number of meetings attended / Number of meetings held during his tenure as member

Throughout the financial year under review, the Audit Committee of the Board was made up of no fewer than three (3) members, who were all Independent Non-Executive Directors, including the Audit Committee Chairman. Datuk Seri Mohamad Norza Bin Zakaria and Dato’ Gan Nyap Liou @ Gan Nyap Liow are members of the Malaysian Institute of Accountants (“**MIA**”). Datuk Seri Mohamad Norza Bin Zakaria is also a fellow of the Australian Certified Practising Accountants. All members of the Audit Committee are financially literate. The composition of the Audit Committee meets the provisions of paragraphs 15.09 and 15.10 of the Main Market Listing Requirements (“**MMLR**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”).

## B. SUMMARY OF THE TERMS OF REFERENCE OF THE AUDIT COMMITTEE

### Composition of the Audit Committee

The Audit Committee must be appointed by the Board from amongst the Directors and shall consist of no fewer than three (3) members. All the Audit Committee members must be Non-Executive Directors, with a majority of them being Independent Directors.

The Chairman of the Audit Committee shall be an Independent Director appointed by the Board.

All members of the Audit Committee should be financially literate and at least one member of the Audit Committee must be a member of the MIA or fulfills such other requirements as prescribed or approved by Bursa Securities.

No alternate director shall be appointed as a member of the Audit Committee.

### Functions and Duties

The Audit Committee assists and supports the Board in fulfilling its fiduciary responsibilities relating to the Group’s financial reporting practices, accounting policies, internal controls, business ethics policies and the independence of the Group’s external and internal auditors. In this respect, the Board has specified the duties of the Audit Committee in the terms of reference of the Audit Committee and they are tabled as below:-

- To review the following and report the same to the Board:-
  - with the external auditor, the audit plan;
  - with the external auditor, his evaluation of the system of internal controls;
  - with the external auditor, the audit reports, the external auditors’ management letter and management’s response;
  - to discuss with the external auditor before the audit commences, the nature and scope of the audit, and ensure coordination where more than one audit firm is involved;
  - the assistance given by the Company’s employees to the external auditor;
  - the quarterly results and year-end financial statements prior to the approval by the Board, focusing particularly on:-
    - changes in accounting policies and practices;
    - significant adjustments arising from the audit;
    - compliance with accounting standards and other statutory and legal requirements;
    - the going concern assumption;
    - any major judgmental areas; and
  - any related party transaction and conflict of interest situation that may arise within the Company or the Group including any transaction, procedure or course of conduct that raises questions of management integrity.
- To review any matters concerning the appointment and re-appointment, audit fee and any questions of resignation or dismissal of external auditors as well as on the external auditors’ independence, objectives and effectiveness, taking into consideration their relevant professional and regulatory requirements.

3. To prepare the Audit Committee Report at the end of each financial year.
4. To discuss all other problems and reservations arising from the interim and final external audits and any matters the external auditors may wish to discuss in the absence of management and/or Executive Board members, where necessary.
5. To promptly report to Bursa Securities where the Audit Committee is of the view that a matter reported by it to the Board has not been satisfactorily resolved resulting in a breach of the MMLR of Bursa Securities.
6. To do the following in relation to the internal audit function:-
  - (a) review the adequacy of the scope, functions, competency and resources of the internal audit function and that it has the necessary authority to carry out its work;
  - (b) review the internal audit programmes, processes, the results of the internal audit programmes, processes or investigation undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function;
  - (c) review and approve any appointment, termination, appraisal and assessment of the members of the internal audit function; and
  - (d) take cognisance of the resignation of internal audit staff members and provide the resigning staff member an opportunity to submit his reason for resigning.
7. To consider the major findings of internal investigations and management's responses.
8. To consider other related matters as defined by the Board.

#### C. MEETINGS OF THE AUDIT COMMITTEE

The Audit Committee held four (4) meetings during the FY2015. The attendance record is as indicated in the table under item A above, next to the respective names of the Audit Committee members.

The Executive Directors of the Board, which included the Group Chief Executive Officer, and the senior management attended the Audit Committee meetings held in the FY2015 upon the invitation by the Chairman of the Audit Committee. The Group's head of internal audit attended all the Audit Committee meetings.

The external auditors attended two (2) of the Audit Committee meetings during the financial year under review. In addition to that, the external auditors had two (2) private sessions with the Audit Committee where all the Executive Directors and the senior management were excused from the meetings save for the Company Secretary, who recorded the proceedings of the private sessions.

The Audit Committee has direct access to the external auditors and internal auditors, or vice versa, if they wish to do so.

#### D. SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE DURING THE FINANCIAL YEAR

During the financial year under review, the Audit Committee carried out the following activities in accordance with its terms of reference:-

- (a) Reviewed the unaudited interim consolidated results of the Group for the quarter ended 31 December 2014, 31 March 2015, 30 June 2015 and 30 September 2015 as well as the audited financial statements of the Group and the Company for the financial year ended 31 December 2014 before the recommendation to the Board for approval and subsequent announcements to Bursa Securities and submission to the Securities Commission.
- (b) Reviewed the quarterly reports by the internal auditors in relation to the recurrent related party transactions of revenue nature entered into by the Group for the quarters ended 31 December 2014, 31 March 2015, 30 June 2015 and 30 September 2015.
- (c) Reviewed the reports by the internal auditors with regard to the findings of the audit activities in line with the internal audit programme, the recommendations of the internal auditors and the management responses.
- (d) Discussed the significant audit findings of the external auditors in respect of the financial statements of the Group for the year ended 31 December 2014.
- (e) Reviewed the Audit Committee Report, the Statement on Risk Management and Internal Control and Additional Compliance Information for the purpose of publication of the Annual Report 2014.
- (f) Reviewed and approved the Internal Audit Planning Memorandum for the Company and its subsidiaries for the financial year ending 2016.
- (g) Reviewed and discussed the External Audit Planning Memorandum for the Company and its subsidiaries in respect of the FY2015.
- (h) Met the external auditors without the presence of the Executive Directors and employees of the Company or the Group save and except for the Company Secretary, who recorded the proceedings of meeting.

#### E. INTERNAL AUDIT FUNCTION

The Audit Committee is supported by an independent and adequately resourced in-house Group Internal Audit Department ("GIAD") in the discharge of its duties and responsibilities. Its principal activity is to perform regular and systematic reviews of the system internal control so as to provide reasonable assurance that such system continues to operate satisfactorily and effectively.



During the financial year under review, the internal audit activities were carried out by the GIAD according to the Audit Planning Memorandum (“APM”), which had been approved by the Audit Committee. The scope of the internal audit covered the audits of all units and operations of the Group to provide the Audit Committee with assurance that the system of internal control of the Group achieved the following:-

- The business was planned and conducted in an orderly, prudent and cost effective manner;
- Transactions and commitments were entered into in accordance with management’s authority;
- Compliance with set policies and procedures;
- The management was able to safeguard the assets and control the liabilities of the Group i.e. there were measures to minimise and detect any loss from irregularities, frauds and errors; and
- The financial and other operational records of the business provided complete, accurate and timely information.

Seventeen (17) audit reports were issued during the financial year incorporating findings and recommendations with regard to systems and controls, weaknesses noted in the course of audit, the management’s responses and the remedial actions on the implementation of all findings and recommendations in its review process.

In the course of auditing, the Internal Auditors have identified some internal control weaknesses which have been or are being addressed. None of these weaknesses have resulted in any material losses, contingencies or uncertainties that would require disclosure in the Company’s Annual Report.

The total cost incurred for the internal audit function in respect of the FY2015 was RM925,229.

## F. EMPLOYEE SHARE OPTION SCHEME

The Company’s Employee Share Option Scheme (“ESOS”) for the eligible Directors and employees of Tropicana Group, which was implemented on 21 September 2005 for a period of 10 years, had expired on 20 September 2015.

There was no allocation of options during the financial year under review. Hence, no exercise was undertaken to verify compliance with the criteria on the allocation of the options to eligible Directors and employees pursuant to the ESOS was carried out as required under paragraph 8.17 of the MMLR of Bursa Securities.

Disclosure of ESOS information pursuant to Appendix 9C, Part A (27) of the MMLR of Bursa Securities are as follows:-

### (a) BRIEF DETAILS OF THE ESOS:

Options Movement	During the FY2015
Total number of options granted as at 1.1.2015	67,410,173
Total options granted / additional adjustment	-
Total number of options exercised	343,800
Total number of options forfeited	5,879,319
Total options lapsed as at 20.09.2015 (expiry date of ESOS)	61,187,054

### (b) ESOS GRANTED TO DIRECTORS AND CHIEF EXECUTIVE OF TROPICANA:

Options Movement	During the FY2015
Total number of options granted as at 1.1.2015	41,364,660
Total options granted / additional adjustment	-
Total number of options exercised	-
Total number of options forfeited	-
Total options lapsed as at 20.09.2015 (expiry date of ESOS)	41,364,660

### (c) OPTIONS GRANTED TO DIRECTORS AND SENIOR MANAGEMENT OF TROPICANA GROUP:

	Since Commencement of the ESOS Until 20.09.2015	During the FY2015
Aggregate maximum allocation in percentage	75.1%	-
Actual percentage granted	74.7%	-

### (d) OPTIONS GRANTED TO NON-EXECUTIVE DIRECTORS OF TROPICANA GROUP DURING THE FINANCIAL YEAR:

Names of Directors	Number of Options Granted/ Additional Adjustment	Number of Options Forfeited/ Exercised
1. Tan Sri Rastam Bin Mohd Isa	-	-
2. Datuk Seri Mohamad Norza Bin Zakaria (appointed on 18 June 2015)	-	-
3. Dato’ Gan Nyap Liou @ Gan Nyap Liow	-	-
4. Datuk Tang Vee Mun	-	-
5. Dato’ Ng Tian Sang @ Ng Kek Chuan (ceased on 18 June 2015)	-	-
6. Datuk Seri Panglima Mohd Annuar Bin Zaini (ceased on 18 June 2015)	-	-

This Audit Committee Report is made in accordance with a resolution of the Board dated 13 April 2016.

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# DIRECTORS' REPORT

## DIRECTORS' REPORT

The directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2015.

## PRINCIPAL ACTIVITIES

The principal activities of the Company are that of investment holding and provision of management services.

The principal activities of the subsidiaries, associates and joint ventures are disclosed in Notes 18, 19 and 20 to the financial statements respectively.

There have been no significant changes in the nature of these principal activities during the financial year.

## RESULTS

	Group RM'000	Company RM'000
Profit from continuing operations, net of tax	208,804	111,934
Profit from discontinued operation, net of tax	39,677	-
Total profit, net of tax	248,481	111,934
Profit attributable to:		
Equity holders of the Company	223,302	111,934
Non-controlling interests	25,179	-
	<b>248,481</b>	<b>111,934</b>

There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in the financial statements.

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature other than the effects arising from gain on disposals of investment properties and a subsidiary amounting to RM126,032,000 and RM27,531,000 respectively, as disclosed in Note 6 and Note 18(b) to the financial statements.

## DIVIDENDS

The amount of dividends paid by the Company since 31 December 2014 were as follows:

	RM '000
In respect of the financial year ended 31 December 2014:	
Final single-tier Share Dividend via a distribution of Treasury Shares on the basis of 1.3 treasury shares for every 100 existing ordinary shares of RM1.00 each held in the Company. The Share Dividend was declared on 11 May 2015 and 18,519,065 ordinary shares was credited into entitled depositors' securities account on 15 July 2015	34,631
In respect of the financial year ended 31 December 2015:	
First interim single-tier dividend of 5.0 sen per share, on 1,436,025,893 ordinary shares, declared on 26 November 2015 and paid on 23 December 2015	71,801

The directors do not recommend final dividend in respect of the financial year ended 31 December 2015.

## DIRECTORS

The directors of the Company in office since the date of the last report and as at the date of this report are:

Tan Sri Rastam Bin Mohd Isa	
Datuk Seri Mohamad Norza Bin Zakaria	(Appointed on 18 June 2015)
Dato' Yau Kok Seng	
Dato' Dickson Tan Yong Loong	
Dillon Tan Yong Chin	
Dion Tan Yong Chien	(Appointed on 18 June 2015)
Datuk Tang Vee Mun	
Dato' Gan Nyap Liou @ Gan Nyap Liow	
Tan Sri Dato' Tan Chee Sing	(Resigned on 18 June 2015)
Dato' Ng Tian Sang @ Ng Kek Chuan	(Retired on 18 June 2015)
Datuk Seri Panglima Mohd Annuar Bin Zaini	(Retired on 18 June 2015)
Diana Tan Sheik Ni	(Resigned on 18 June 2015)
Datuk Kong Woon Jun	(Resigned on 5 December 2015)
Kok Kong Chin	(Resigned on 29 January 2016)

## DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the directors might acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate, other than those arising from the share options granted under the Employee Share Option Scheme ("ESOS"). The ESOS was implemented on 21 September 2005 for a period of 10 years until 20 September 2015.

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors as shown in Note 11 to the financial statements or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with any director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest, except as disclosed in Note 41 to the financial statements.

## DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors in office at the end of the financial year in shares, and/or warrants over shares in the Company and its related corporations during the financial year were as follows:

	Tropicana Corporation Berhad			
	Number of ordinary shares of RM1 each			
	At 1 January 2015	Acquired	Disposed	At 31 December 2015
<b>Direct interest</b>				
Dato' Yau Kok Seng	4,600,000	59,800	-	4,659,800



## DIRECTORS' INTERESTS (CONT'D.)

Tropicana Corporation Berhad				
Number of options over ordinary shares of RM1 each				
	At 1 January 2015	Exercised	Expired	At 31 December 2015
Tan Sri Rastam Bin Mohd Isa	1,000,000	-	(1,000,000)	-
Dato' Yau Kok Seng	5,400,000	-	(5,400,000)	-
Dato' Dickson Tan Yong Loong	8,499,890	-	(8,499,890)	-
Kok Kong Chin	6,000,000	-	(6,000,000)	-
Dillon Tan Yong Chin	6,000,000	-	(6,000,000)	-
Dato' Gan Nyap Liou @ Gan Nyap Liow	1,000,000	-	(1,000,000)	-
Datuk Tang Vee Mun	1,000,000	-	(1,000,000)	-

Other than as disclosed above, none of the other directors in office at the end of the financial year had any interest in shares, options and/or warrants in the Company or its related corporations during the financial year.

## ISSUE OF SHARES

The Company increased its issued and paid-up share capital from RM1,396,268,338 to RM1,447,466,428 by way of the issuance of:

- 50,854,290 ordinary shares of RM1.00 each pursuant to the conversion of RM76,281,435 nominal value Redeemable Convertible Unsecured Loan Stock converted at RM1.50 per ordinary share; and
- 343,800 ordinary shares of RM1.00 each for cash pursuant to the exercise of share options exercised under the Company's Employee Share Option Scheme at an average exercise price of RM1.00 per ordinary share.

The new ordinary shares issued during the financial year ranked pari passu in all respects with the existing ordinary shares of the Company.

## TREASURY SHARES

During the financial year, the Company:

- repurchased 7,716,600 (2014: Nil) of its issued ordinary shares from the open market at an average price of RM0.95 per share. The shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965; and
- declared a first single-tier Share Dividend via a distribution of 18,519,065 Treasury Shares on the basis of 1.3 treasury shares for every 100 existing ordinary shares of RM1.00 each held in the Company. The Treasury Shares were repurchased at an average price of RM1.87 per share.

As at reporting date, the number of treasury shares held are 12,013,835 ordinary shares of RM1.00 each.

## EMPLOYEE SHARE OPTION SCHEME

The Company's Employee Share Option Scheme ("ESOS") is governed by the Bye-Laws approved by the shareholders at an Extraordinary General Meeting held on 24 June 2005, which was subsequently amended by the shareholders at the Extraordinary General Meeting held on 3 October 2011 and at the 35<sup>th</sup> Annual General Meeting held on 26 June 2014. The ESOS was implemented on 21 September 2005 for a period of 10 years until 20 September 2015. The salient features and other terms of the ESOS are disclosed in Note 32 to the financial statements.

Details of options granted to directors are disclosed in the directors' interests section in this report.

## OTHER STATUTORY INFORMATION

- (a) Before the statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the directors took reasonable steps:
  - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that there were no known bad debts and that adequate allowance had been made for doubtful debts; and
  - (ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the directors are not aware of any circumstances which would render:
  - (i) it necessary to write off any bad debts or the amount of the allowance for doubtful debts inadequate to any substantial extent in respect of these financial statements; and
  - (ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.
- (c) At the date of this report, the directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.
- (e) As at the date of this report, there does not exist:
  - (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
  - (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.
- (f) In the opinion of the directors:
  - (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations when they fall due; and
  - (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.



## **SIGNIFICANT AND SUBSEQUENT EVENTS**

In addition to the significant events disclosed elsewhere in this report, other significant events and subsequent events are disclosed in Notes 49 and 50 respectively to the financial statements.

## **AUDITORS**

The auditors, Ernst & Young, have expressed their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the directors dated 15 April 2016.

**Dato' Yau Kok Seng**

**Dion Tan Yong Chien**

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# STATEMENT BY DIRECTORS

PURSUANT TO SECTION 169(15) OF THE COMPANIES ACT, 1965

---

We, Dato' Yau Kok Seng and Dion Tan Yong Chien, being two of the directors of Tropicana Corporation Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 90 to 208 are drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2015 and of their financial performance and cash flows for the year then ended.

The information set out in Note 53 on page 209 to the financial statements have been prepared in accordance with the Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

Signed on behalf of the Board in accordance with a resolution of the directors dated 15 April 2016.

Dato' Yau Kok Seng

Dion Tan Yong Chien

# STATUTORY DECLARATION

PURSUANT TO SECTION 169(16) OF THE COMPANIES ACT, 1965

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I, Lim Lai Seng, being the officer primarily responsible for the financial management of Tropicana Corporation Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 90 to 209 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by  
the abovenamed Lim Lai Seng  
at Petaling Jaya in the State of Selangor,  
Darul Ehsan on 15 April 2016.

Lim Lai Seng

Before me,

Ng Say Hung  
B185  
Commissioner of Oaths



# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF TROPICANA CORPORATION BERHAD (INCORPORATED IN MALAYSIA)

## REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Tropicana Corporation Berhad, which comprise the statements of financial position as at 31 December 2015 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 90 to 208.

### *Directors' responsibility for the financial statements*

The directors of the Company are responsible for the preparation of financial statements so as to give a true and fair view in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2015 and of their financial performance and cash flows for the year then ended.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the following:

- (a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.
- (b) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the financial statements of the Company are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and we have received satisfactory information and explanations required by us for those purposes.
- (c) The auditors' reports on the financial statements of the subsidiaries were not subject to any qualification material to the consolidated financial statements and did not include any comment required to be made under Section 174(3) of the Act.

## OTHER MATTERS

The supplementary information set out in Note 53 on page 209 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad. The directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

**Ernst & Young**  
AF: 0039  
Chartered Accountants

Kuala Lumpur, Malaysia

15 April 2016

**Hoh Yoon Hoong**  
No. 2990/08/16(J)  
Chartered Accountant



# STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	Group		Company	
		2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
<b>Continuing operations</b>					
Revenue	4	1,252,714	1,758,845	187,500	131,315
Cost of sales	5	(836,111)	(1,096,224)	-	-
<b>Gross profit</b>		416,603	662,621	187,500	131,315
<b>Other items of income</b>					
Other income	6	162,506	105,584	5,864	34,531
<b>Other items of expense</b>					
Administrative expenses		(268,360)	(327,109)	(19,285)	(27,628)
Other expenses		(19,951)	(2,342)	(64,055)	(15,533)
<b>Operating profit</b>		290,798	438,754	110,024	122,685
Finance income	7	25,820	10,602	41,583	32,181
Finance costs	8	(65,005)	(49,229)	(38,033)	(35,514)
Share of results of joint ventures		17,944	11,492	-	-
<b>Profit before tax</b>	9	269,557	411,619	113,574	119,352
Income tax (expense)/credit	12	(60,753)	(60,037)	(1,640)	545
<b>Profit, net of tax from continuing operations</b>		208,804	351,582	111,934	119,897
<b>Profit, net of tax from discontinued operation</b>	18(b)	39,677	31,499	-	-
		248,481	383,081	111,934	119,897
<b>Other comprehensive income to be reclassified to profit and loss in subsequent period</b>					
Foreign currency translation		1,723	1,716	-	-
<b>Total comprehensive income</b>		250,204	384,797	111,934	119,897
<b>Profit attributable to:</b>					
Equity holders of the Company		223,302	333,936		
Non-controlling interests		25,179	49,145		
		248,481	383,081		
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company		224,421	335,652		
Non-controlling interests		25,783	49,145		
		250,204	384,797		

	Note	Group 2015 RM'000	2014 RM'000
<b>Earnings per share attributable to owners of the parent (sen per share)</b>			
Basic			
Continuing operations	13	13.11	23.24
Discontinued operation	13	2.42	1.61
		15.53	24.85
Diluted			
Continuing operations	13	13.09	22.97
Discontinued operation	13	2.42	1.61
		15.51	24.58
<b>Net dividends per ordinary share in respect of the year (sen per share)</b>		7.35	4.00

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.



# STATEMENTS OF FINANCIAL POSITION - GROUP

AS AT 31 DECEMBER 2015

	Note	2015 RM'000	2014 RM'000
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	15	615,972	576,459
Land held for property development	16(a)	2,389,921	2,099,484
Investment properties	17	389,622	541,333
Interests in associates	19	100,102	2,756
Investments in joint ventures	20	338,790	264,410
Other investments	21	312	312
Security retainers accumulation fund	22	4,270	4,050
Intangible assets	23	3,439	80,378
Deferred tax assets	34	26,513	38,609
Trade and other receivables	25	20,695	5,967
		3,889,636	3,613,758
<b>Current assets</b>			
Property development costs	16(b)	1,077,125	935,673
Inventories	24	40,355	52,305
Trade and other receivables	25	281,959	808,534
Other current assets	26	464,790	505,484
Tax recoverable		28,640	23,207
Cash and bank balances	27	837,493	452,627
		2,730,362	2,777,830
Assets classified as held for sale	28	180,740	823,408
		2,911,102	3,601,238
<b>Total assets</b>		<b>6,800,738</b>	<b>7,214,996</b>

	Note	2015 RM'000	2014 RM'000
<b>Equity and liabilities</b>			
<b>Equity attributable to equity holders of the Company</b>			
Share capital	29	1,447,466	1,396,268
Treasury shares	29	(15,498)	(42,779)
Share premium	29	577,984	568,388
Other reserves	30	1,076,870	1,011,092
		3,086,822	2,932,969
Non-controlling interests		268,190	252,212
<b>Total equity</b>		3,355,012	3,185,181
<b>Non-current liabilities</b>			
Sinking fund	31	3,217	1,993
Provision for liabilities	33	298,643	44,643
Deferred tax liabilities	34	66,499	121,199
Security retainers	35	1,702	1,587
Deferred licence fees	36	83,083	80,733
Deferred income	37	59,774	-
Borrowings	38	1,265,092	1,672,897
Trade and other payables	39	456,810	496,274
		2,234,820	2,419,326
<b>Current liabilities</b>			
Deferred licence fees	36	2,411	2,367
Borrowings	38	488,350	765,071
Trade and other payables	39	697,731	820,329
Other current liabilities	40	3,143	-
Tax payable		19,271	22,722
		1,210,906	1,610,489
<b>Total liabilities</b>		3,445,726	4,029,815
<b>Total equity and liabilities</b>		6,800,738	7,214,996



# STATEMENTS OF FINANCIAL POSITION - COMPANY

AS AT 31 DECEMBER 2015

	Note	2015 RM'000	2014 RM'000
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	15	1,750	2,314
Investments in subsidiaries	18	1,346,153	1,432,464
Other investments	21	312	312
Deferred tax assets	34	-	3,651
Trade and other receivables	25	40,213	-
		1,388,428	1,438,741
<b>Current assets</b>			
Trade and other receivables	25	1,839,936	1,464,505
Other current assets	26	3,091	3,639
Tax recoverable		-	3,302
Cash and bank balances	27	277,055	138,340
		2,120,082	1,609,786
<b>Total assets</b>		3,508,510	3,048,527
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital	29	1,447,466	1,396,268
Treasury shares	29	(15,498)	(42,779)
Share premium	29	577,984	568,388
Other reserves	30	141,446	186,155
<b>Total equity</b>		2,151,398	2,108,032
<b>Non-current liability</b>			
Borrowings	38	203,034	311,581
<b>Current liabilities</b>			
Borrowings	38	256,917	236,874
Trade and other payables	39	896,567	392,040
Tax payable		594	-
		1,154,078	628,914
<b>Total liabilities</b>		1,357,112	940,495
<b>Total equity and liabilities</b>		3,508,510	3,048,527

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# STATEMENTS OF CHANGES IN EQUITY - GROUP

FOR THE YEAR ENDED 31 DECEMBER 2015

	Attributable to equity holders of the Company				Non-distributable				Non-controlling interests			
	Share capital		Share premium		Share options reserve		Warrants reserve		RCULS reserve		Retained profit	
	RM'000	Note 29	RM'000	Note 29	RM'000	Note 30(a)	RM'000	Note 30(b)	RM'000	Note 30(c)	RM'000	Note 30(d)
	Share capital	Treasury shares	Share premium	Foreign currency translation reserve	Share options reserve	Warrants reserve	RCULS reserve	Total reserves	Total equity	Total equity	Total equity	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 January 2015</b>	1,396,268	(42,779)	568,388	823	20,186	45,960	66,227	1,579,480	2,932,969	252,212	3,185,181	3,185,181
<b>Total comprehensive income</b>	-	-	-	1,119	-	-	-	224,421	224,421	25,783	250,204	250,204
<b>Transactions with owners</b>												
Issue of ordinary shares pursuant to:												
- ESOS	344	-	-	-	-	-	-	-	344	-	344	344
- RCULS	50,854	-	25,612	-	-	(66,227)	-	(40,615)	10,239	-	10,239	10,239
Effects pursuant to ESOS on:												
- exercise	-	-	96	-	(96)	-	-	-	-	-	-	-
- forfeited	-	-	-	-	(2,055)	-	-	-	-	-	-	-
- expired	-	-	-	-	(18,035)	-	-	-	-	-	-	-
Issuance of equity to non-controlling interest	-	-	-	-	-	-	-	-	-	9,080	9,080	9,080
Purchase of treasury shares	-	(7,350)	-	-	-	-	-	-	(7,350)	-	(7,350)	(7,350)
Disposal of a subsidiary	-	-	-	(2,000)	-	-	-	(2,000)	(2,000)	(18,885)	(20,885)	(20,885)
Dividends to shareholders of the Company	-	34,631	(16,112)	-	-	-	-	(106,432)	(71,801)	-	(71,801)	(71,801)
<b>Total transactions with owners</b>	51,198	27,281	9,596	(2,000)	(20,186)	-	(66,227)	(149,047)	(70,568)	(9,805)	(80,373)	(80,373)
<b>At 31 December 2015</b>	1,447,466	(15,498)	577,984	(58)	-	45,960	-	1,654,854	3,086,822	268,190	3,355,012	3,355,012



			←		Attributable to equity holders of the Company										→	
			←		Non-distributable										→	
			Foreign currency translation reserve													
			Share capital RM'000	Treasury shares RM'000	Share premium RM'000	Share options reserve RM'000	Warrants reserve 2009/2019 RM'000	RCULS reserve 2012/2022 RM'000	Retained profit RM'000	Total reserves RM'000	Total controlling interests RM'000	Total equity RM'000				
			Note 29	Note 29	Note 29	Note 30(a)	Note 30(b)	Note 30(c)	Note 30(d)							
At 1 January 2014			1,107,281	(42,779)	488,122	(893)	6,772	45,960	368,660	597,133	1,505,754	2,570,256	163,778	2,734,034		
Total comprehensive income																
			-	-	-	1,716	-	-	-	333,936	335,652	335,652	49,145	384,797		
Transactions with owners																
Issue of ordinary shares pursuant to:																
- ESOS			10,987	-	1,017	-	-	-	-	-	1,017	12,004	-	12,004		
- Warrant 2009/2019			- *	-	-	-	-	-	-	-	-	-	-	-		
- RCULS			278,000	-	75,983	-	-	-	(302,433)	-	(226,450)	51,550	-	51,550		
Effects pursuant to ESOS on:																
- exercise			-	-	3,266	-	(3,266)	-	-	-	-	-	-	-		
- grant			-	-	-	-	18,217	-	-	-	18,217	18,217	-	18,217		
- forfeiture			-	-	-	-	(1,537)	-	-	1,537	-	-	-	-		
Issuance of equity to non-controlling interest																
			-	-	-	-	-	-	-	-	-	-	49,554	49,554		
Dividend paid/payable to:																
- shareholders of the Company			-	-	-	-	-	-	-	(54,710)	(54,710)	(54,710)	-	(54,710)		
- non-controlling interest of a subsidiary			-	-	-	-	-	-	-	-	-	-	(10,265)	(10,265)		
Total transactions with owners																
			288,987	-	80,266	-	13,414	-	(302,433)	(53,173)	(261,926)	27,061	39,289	66,350		
At 31 December 2014																
			1,396,268	(42,779)	568,388	823	20,186	45,960	66,227	877,896	1,579,480	2,932,969	252,212	3,185,181		

# STATEMENTS OF CHANGES IN EQUITY - COMPANY

FOR THE YEAR ENDED 31 DECEMBER 2015

	Treasury shares		Share premium		Share options reserve		Warrants reserve		RCULS reserve		(Accumulated losses)/ retained profit		Total reserves		Total equity	
	RM'000	Note 29	RM'000	Note 29	RM'000	Note 30(b)	RM'000	Note 30(c)	RM'000	Note 30(d)	RM'000	Note 30(e)	RM'000	Note 30(f)	RM'000	Note 30(g)
<b>At 1 January 2015</b>	1,396,268	(42,779)	568,388	20,186	45,960	66,227	53,782	754,543	2,108,032							
<b>Total comprehensive income</b>	-	-	-	-	-	-	-	111,934	111,934							
<b>Transactions with owners</b>																
Issue of ordinary shares pursuant to:																
- ESOS	344	-	-	-	-	-	-	-	-	-	-	-	-	-	344	-
- RCULS	50,854	-	25,612	-	-	(66,227)	-	-	-	(40,615)	-	-	-	-	10,239	-
Effects pursuant to ESOS on:																
- exercise	-	-	96	(96)	-	-	-	-	-	-	-	-	-	-	-	-
- forfeiture	-	-	-	(2,055)	-	-	-	-	-	-	2,055	-	-	-	-	-
- expired	-	-	-	(18,035)	-	-	-	-	-	-	18,035	-	-	-	-	-
Purchase of treasury shares	-	(7,350)	-	-	-	-	-	-	-	-	-	-	-	-	(7,350)	-
Share dividend and dividend paid	-	34,631	(16,112)	-	-	-	-	-	-	-	(90,320)	-	(106,432)	-	(71,801)	-
<b>Total transactions with owners</b>	51,198	27,281	9,596	(20,186)	-	(66,227)	(70,230)	(147,047)	(68,568)							
<b>At 31 December 2015</b>	1,447,466	(15,498)	577,984	-	45,960	-	95,486	719,430	2,151,398							



|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|

\* During the financial year ended 31 December 2014, the Company issued 116 ordinary shares pursuant to the exercise of Warrant 2009/2019 for a cash consideration of RM116.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2015

	Group	
	2015 RM'000	2014 RM'000
<b>Cash flows from operating activities</b>		
Profit before tax		
- Continuing operations	269,557	411,619
- Discontinued operation	43,272	39,837
	312,829	451,456
Adjustments for:		
Depreciation of property, plant and equipment	28,268	29,069
Interest income	(25,873)	(10,602)
Interest expense	49,109	37,912
Share of losses/(profits) in associates	17	(993)
Share of profits in joint ventures	(19,616)	(15,357)
Gain on disposal of a subsidiary	(27,531)	-
Gain on disposal of investment properties	(126,032)	(62,180)
Gain on disposal of property, plant and equipment	(12,149)	(2,448)
Property, plant and equipment written off	3,582	1,893
Fair value gains on investment properties	(3,298)	(22,053)
Amortisation of borrowings expenses	14,647	6,291
Amortisation of deferred licence fees	(2,411)	(2,367)
Amortisation of endowment fund premium	11	11
Impairment loss on intangible assets	10,662	-
Impairment loss on trade and other receivables	450	748
Provision for liabilities	14,044	-
Reversal of impairment loss on trade and other receivables	-	(276)
Share options granted under ESOS	-	17,113
Unrealised returns on endowment policy	(231)	(224)
Unwinding of RCULS liability	187	2,536
Unwinding of discount retention sum payables	990	1,914
Unwinding of discount deposits rental refundable	113	495
Unwinding of discount of security retainers	295	362
Unrealised foreign exchange loss	310	1,716
Operating profit before working capital changes	218,373	435,016
Changes in working capital:		
Receivables	378,348	(234,755)
Deposits with licensed banks not available for use	(219,402)	(7,057)
Inventories	10,166	14,784
Property development costs	(174,266)	(26,063)
Land held for property development	(189,399)	(592,525)
Provision for liabilities	240,022	14,763
Payables	(133,302)	(20,821)
<b>Cash generated from/(used in) from operations carried forward</b>	<b>130,540</b>	<b>(416,658)</b>



	<b>Group</b>	
	<b>2015</b>	<b>2014</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash generated from/(used in) from operations brought forward</b>	130,540	(416,658)
Increase in sinking fund	1,224	988
Increase in deferred licence fees	4,805	5,831
Interests paid	(129,625)	(104,165)
Taxes paid, net of refunds	(120,845)	(92,622)
Net cash used in operations	(113,901)	(606,626)
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(138,452)	(89,227)
Purchase of investment properties	(7,297)	(29,556)
Proceeds from disposal of property, plant and equipment	61,485	11,461
Proceeds from disposal of investment properties	1,025,169	185,312
Proceeds from disposal of a subsidiary, net of cash at banks disposed of (Note 18(b))	167,286	-
Additions to investment properties classified as assets held for sale in current year	(41,132)	-
Increase in investment in joint ventures	(70,243)	(65,418)
Interest received	25,873	10,602
Dividend received from a joint venture	966	2,534
Net cash generated from investing activities	1,023,655	25,708
<b>Cash flows from financing activities</b>		
Payment of issuance expenses for borrowings	(23,550)	(8,900)
Drawdown from borrowings	669,787	1,125,282
Repayment of borrowings	(1,309,969)	(541,858)
Repayment of hire purchase	(2,721)	(1,925)
Issue of ordinary shares pursuant to ESOS	344	12,004
Issue of Redeemable Preference Shares to non-controlling interests	9,080	-
Conversion of redeemable convertible unsecured loan stocks	187	-
Purchase of treasury shares	(7,350)	-
Issuance of equity interest to non-controlling interests	-	640
Dividends paid to equity holders of the Company	(71,801)	(54,710)
Dividends paid to non-controlling interest of a subsidiary	-	(4,416)
Net cash (used in)/generated from financing activities	(735,993)	526,117
<b>Net increase/(decrease) in cash and cash equivalents</b>	173,761	(54,801)
Effects of foreign exchange rate changes	1,080	(1,245)
<b>Cash and cash equivalents at beginning of year</b>	390,606	446,652
<b>Cash and cash equivalents at end of year (Note 27)</b>	565,447	390,606

	Company	
	2015 RM'000	2014 RM'000
<b>Cash flows from operating activities</b>		
Profit before tax	113,574	119,352
Adjustments for:		
Depreciation of property, plant and equipment	661	1,194
Interest income	(41,583)	(32,181)
Interest expense	36,744	31,746
Impairment loss on trade and other receivables	4,127	6,713
Impairment loss on investments in subsidiaries	57,638	5,854
Reversal of impairment loss on trade and other receivables	(5,864)	(34,531)
Amortisation of borrowings expenses	1,102	1,232
Unwinding of RCULS liability	187	2,536
Share options granted under ESOS	-	1,143
Gross dividend income	(187,500)	(131,170)
Operating loss before working capital changes	(20,914)	(28,112)
Changes in working capital:		
Receivables	(222,798)	(329,185)
Deposit in licensed banks not available for use	(216,482)	(4,662)
Payables	535,913	350,138
Cash generated from/(used in) operations	75,719	(11,821)
Interest paid	(36,744)	(31,746)
Net taxes refunded/(paid)	2,494	(431)
Net cash generated from/(used in) operating activities	41,469	(43,998)
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(97)	(83)
Interest received	36,441	29,496
Net cash outflow on subscription of additional ordinary shares in a subsidiary	(632)	(510)
Net cash generated from investing activities	35,712	28,903
<b>Cash flows from financing activities</b>		
Drawdown from borrowings	145,000	196,011
Repayment of borrowings	(221,141)	(66,250)
Issue of ordinary shares pursuant to ESOS	344	12,004
Purchase of treasury shares	(7,350)	-
Dividends paid to equity holders of the Company	(71,801)	(54,710)
Net cash (used in)/generated from financing activities	(154,948)	87,055
<b>Net (decrease)/increase in cash and cash equivalents</b>	(77,767)	71,960
<b>Cash and cash equivalents at beginning of year</b>	94,976	23,016
<b>Cash and cash equivalents at end of year (Note 27)</b>	17,209	94,976

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.



# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2015

## 1. CORPORATE INFORMATION

Tropicana Corporation Berhad (“the Company”) is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office of the Company is located at LG-A1, Lower Ground Floor, Tropicana City Mall, No. 3 Jalan SS 20/27, 47400 Petaling Jaya, Selangor Darul Ehsan. The principal place of business of the Company is located at Level 7, 9, 10-12, Tropicana City Office Tower, No. 3, Jalan SS20/27, 47400 Petaling Jaya, Selangor Darul Ehsan.

The principal activities of the Company are that of investment holding and provision of management services. The principal activities of the subsidiaries, associate and joint ventures are disclosed in Notes 18, 19 and 20 respectively. There have been no significant changes in the nature of these principal activities during the financial year.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 15 April 2016.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Basis of preparation

The financial statements of the Company and its subsidiaries (collectively, “the Group”) have been prepared in accordance with Financial Reporting Standards (“FRSs”) and the Companies Act, 1965 in Malaysia. At the beginning of the current year financial year, the Group adopted new and revised FRS which are mandatory for financial periods beginning on or after 1 January 2015 as disclose in Note 2.2.

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Ringgit Malaysia (RM) and all values are rounded to the nearest thousand (RM’000) except when otherwise indicated.

### 2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year, except in the current financial year, the Group and the Company adopted the following new and amended FRS and IC Interpretations which are mandatory for annual financial periods beginning on or after 1 January 2015.

Description	Effective for annual period beginning on or after
<i>Amendments to FRS 2: Share-based Payment</i>	1 July 2014
<i>Amendments to FRS 3: Business Combinations</i>	1 July 2014
<i>Amendments to FRS 8: Operating Segments</i>	1 July 2014
<i>Amendments to FRS 13: Fair Value Measurement</i>	1 July 2014
<i>Amendments to FRS 116 (Annual Improvements to FRSs 2010-2013 Cycle)</i>	1 July 2014
<i>Amendments to FRS 119 (Defined Benefit Plans: Employee Contributions)</i>	1 July 2014
<i>Amendments to FRS 124: Related Party Disclosures (Annual Improvements to FRSs 2010-2013 Cycle)</i>	1 July 2014
<i>Amendments to FRS 138: Intangible Assets</i>	1 July 2014
<i>Amendments to FRS 140: Investment Property (Annual Improvements to FRSs 2011-2013 Cycle)</i>	1 July 2014

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.3 Standards and interpretations issued but not yet effective

The standards and interpretations that are issued but not yet effective up to the date of issuance of the Group's and the Company's financial statements are disclosed below. The Group and the Company intend to adopt these standards, if applicable, when they become effective.

Description	Effective for annual period beginning on or after
<i>Amendments to FRS 5: Non-current Assets held for sales and Discontinued Operations (Annual Improvements to FRSs 2012-2014 Cycle)</i>	1 January 2016
<i>Amendments to FRS 7 (Annual Improvements to FRSs 2012-2014 Cycle)</i>	1 January 2016
<i>Amendments to FRS 10, FRS 12 and FRS 128: Investment Entities: Applying the Consolidation Exception</i>	1 January 2016
<i>Amendments to FRS 11: Accounting for Acquisitions of Interests in Joint Operations</i>	1 January 2016
<i>FRS 14: Regulatory Deferral Accounts</i>	1 January 2016
<i>Amendments to FRS 101: Disclosure Initiatives</i>	1 January 2016
<i>Amendments to FRS 116 and FRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation</i>	1 January 2016
<i>Amendments to FRS 119 (Annual Improvements to FRSs 2012-2014 Cycle)</i>	1 January 2016
<i>Amendments to FRS 127: Equity Method in Separate Financial Statements</i>	1 January 2016
<i>Amendments to FRS 134: (Annual Improvements to FRSs 2012-2014 Cycle)</i>	1 January 2016
<i>FRS 9: Financial Instruments</i>	1 January 2016

The directors expect that the adoption of the above standards and interpretations will have no material impact on the financial statements in the period of initial application except as discussed below:

#### FRS 9 Financial Instruments: Classification and Measurement

FRS 9 reflects the first phase of work on the replacement of FRS 139 and applies to classification and measurement of financial assets and financial liabilities as defined in FRS 139. The standard was initially effective for annual periods beginning on or after 1 January 2014, but Amendments to FRS 9: Mandatory Effective Date of FRS 9 and Transition Disclosures, issued in March 2013, moved the mandatory effective date to 1 January 2018. The adoption of the first phase of FRS 9 will have an effect on the classification and measurement of the Group's financial assets, but will not have an impact on classification and measurements of the Group's financial liabilities. The Group will quantify the effect in conjunction with the other phases, when the final standard including all phases is issued.



## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.3 Standards and interpretations issued but not yet effective (cont'd.)

#### Malaysian Financial Reporting Standards (MFRS Framework)

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRS Framework").

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called 'Transitioning Entities').

On 2 September 2014, MASB announced that Transitioning Entities shall be required to apply the MFRS Framework for annual periods beginning on or after 1 January 2017. Subsequently on 28 October 2015, Transitioning Entities are allowed to defer adoption of MFRS Framework for an additional one year. Consequently, adoption of MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2018.

The Group falls within the scope definition of Transitioning Entities and accordingly, will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 December 2018. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

The Group has commenced transitioning its accounting policies and financial reporting from the current Financial Reporting Standards to the MFRS Framework by establishing a project team to plan and manage the adoption of the MFRS Framework.

The Group has not completed its quantification of the financial effects of the differences between Financial Reporting Standards and accounting standards under the MFRS Framework due to the ongoing assessment by the project team. Accordingly, the consolidated financial performance and financial position as disclosed in these financial statements for the year ended 31 December 2015 could be different if prepared under the MFRS Framework.

The Group will achieve its scheduled milestones and expects to be in a position to fully comply with the requirements of the MFRS Framework for the financial year ending 31 December 2018.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.4 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 31 December 2015. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- (i) power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- (ii) exposure, or rights, to variable returns from its investment with the investee; and
- (iii) the ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (i) the contractual arrangement with the other vote holders of the investee;
- (ii) rights arising from other contractual arrangements; and
- (iii) the Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income ("OCI") are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.



## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.5 Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Group elects whether to measure non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss. It is then considered in the determination of goodwill.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of FRS 139 Financial Instruments: Recognition and Measurement, is measured at fair value with changes in fair value recognised either in either profit or loss or as a change to OCI. If the contingent consideration is not within scope of FRS 139, it is measured in accordance with the appropriate FRS. Contingent consideration that is classified as equity is not re-measured and subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the re-assessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

### 2.6 Financial instruments - initial recognition and subsequent measurement

#### (a) Financial assets

Financial assets within the scope of FRS139 are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Group determines the classification of its financial assets at initial recognition.

All financial assets are recognised initially at fair value plus transaction costs, except in the case of financial assets recorded at fair value through profit or loss.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.6 Financial instruments - initial recognition and subsequent measurement (cont'd.)

#### (a) Financial assets (cont'd.)

The subsequent measurement of financial assets depends on their classification as described below:

##### (i) Financial assets at fair value through profit or loss ("FVTPL")

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments as defined by FRS 139.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value presented as finance costs (negative net changes in fair value) or finance income (positive net changes in fair value) in the profit or loss.

Financial assets designated upon initial recognition at fair value through profit or loss are designated at their initial recognition date and only if the criteria under FRS139 are satisfied. The Group has not designated any financial assets at fair value through profit or loss.

The Group evaluates its financial assets held for trading, other than derivatives, to determine whether the intention to sell them in the near term is still appropriate. When, in rare circumstances, the Group is unable to trade these financial assets due to inactive markets and management's intention to sell them in the foreseeable future significantly changes, the Group may elect to reclassify them. The reclassification to loans and receivables, available-for-sale or held to maturity depends on the nature of the asset. This evaluation does not affect any financial assets designated at fair value through profit or loss using the fair value option at designation, as these instruments cannot be reclassified after initial recognition.

Derivatives embedded in host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required.

##### (ii) Loans and receivables ("LAR")

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate ("EIR") method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss in finance costs for loans and in cost of sales or other operating expenses for receivables.

##### (iii) Held-to-maturity investments ("HTM")

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held to maturity when the Group has the positive intention and ability to hold them to maturity. After initial measurement, held to maturity investments are measured at amortised cost using the EIR, less impairment.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss in finance costs. The Group did not have any held-to-maturity investments during the financial years ended 31 December 2015 and 2014.



## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.6 Financial instruments - initial recognition and subsequent measurement (cont'd.)

#### (a) Financial assets (cont'd.)

##### (iv) Available-for-sale financial assets ("AFS")

Available-for-sale financial investments include equity investments and debt securities. Equity investments classified as available for sale are those that are neither classified as held for trading nor designated at fair value through profit or loss. Debt securities in this category are those that are intended to be held for an indefinite period of time and that may be sold in response to needs for liquidity or in response to changes in the market conditions.

After initial measurement, available-for-sale financial investments are subsequently measured at fair value with unrealised gains or losses recognised as other comprehensive income in the available-for-sale reserve until the investment is derecognised, at which time the cumulative gain or loss is recognised in other operating income, or the investment is determined to be impaired, when the cumulative loss is reclassified from the available-for-sale reserve to the profit or loss in finance costs. Interest earned whilst holding available-for-sale financial investments is reported as interest income using the EIR method.

The Group evaluates whether the ability and intention to sell its available-for-sale financial assets in the near term is still appropriate. When, in rare circumstances, the Group is unable to trade these financial assets due to inactive markets and management's intention to do so significantly changes in the foreseeable future, the Group may elect to reclassify these financial assets. Reclassification to loans and receivables is permitted when the financial assets meet the definition of loans and receivables and the Group has the intent and ability to hold these assets for the foreseeable future or until maturity. Reclassification to the held to maturity category is permitted only when the entity has the ability and intention to hold the financial asset accordingly.

For a financial asset reclassified from the available-for-sale category, the fair value carrying amount at the date of reclassification becomes its new amortised cost and any previous gain or loss on the asset that has been recognised in equity is amortised to profit or loss over the remaining life of the investment using the EIR. Any difference between the new amortised cost and the maturity amount is also amortised over the remaining life of the asset using the EIR. If the asset is subsequently determined to be impaired, then the amount recorded in equity is reclassified to the profit or loss.

#### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- (i) The rights to receive cash flows from the asset have expired;
- (ii) The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and
  - the Group has transferred substantially all the risks and rewards of the asset; or
  - the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.6 Financial instruments - initial recognition and subsequent measurement (cont'd.)

#### (b) Impairment of financial assets

The Group assesses, at each reporting date, whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if there is objective evidence of impairment as a result of one or more events that has occurred since the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

#### (i) Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current EIR.

The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in profit or loss. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as finance income in the profit or loss. Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to finance costs in the profit or loss.

#### (ii) Available-for-sale financial investments

For available-for-sale financial investments, the Group assesses at each reporting date whether there is objective evidence that an investment or a group of investments is impaired.

In the case of equity investments classified as available-for-sale, objective evidence would include a significant or prolonged decline in the fair value of the investment below its cost. 'Significant' is evaluated against the original cost of the investment and 'prolonged' against the period in which the fair value has been below its original cost. When there is evidence of impairment, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognised in the profit or loss – is removed from other comprehensive income and recognised in the profit or loss. Impairment losses on equity investments are not reversed through profit or loss; increases in their fair value after impairment are recognised directly in other comprehensive income.

In the case of debt instruments classified as available for sale, impairment is assessed based on the same criteria as financial assets carried at amortised cost. However, the amount recorded for impairment is the cumulative loss measured as the difference between the amortised cost and the current fair value, less any impairment loss on that investment previously recognised in the profit or loss.



## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.6 Financial instruments - initial recognition and subsequent measurement (cont'd.)

#### (b) Impairment of financial assets (cont'd.)

##### (ii) Available-for-sale financial investments (cont'd.)

Future interest income continues to be accrued based on the reduced carrying amount of the asset, using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income. If, in a subsequent year, the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in the profit or loss, the impairment loss is reversed through the profit or loss.

#### (c) Financial liabilities

Financial liabilities within the scope of FRS 139 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

The measurement of financial liabilities depends on their classification as described below:

##### (i) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by FRS 139. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in FRS 139 are satisfied. The Group has not designated any financial liability as at fair value through profit or loss.

##### (ii) Loans and borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the profit or loss.

##### (iii) Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the reporting date and the amount recognised less cumulative amortisation.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.6 Financial instruments - initial recognition and subsequent measurement (cont'd.)

#### (c) Financial liabilities (cont'd.)

##### Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the profit or loss.

#### (d) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### (e) Fair value of financial instruments

The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs.

### 2.7 Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

When significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Freehold land has an unlimited useful life, and therefore is not depreciated. Golf course expenditure is depreciated based on the period of the lease of 99 years, which will expire on 20 October 2090.

Construction-in-progress included in property, plant and equipment are not depreciated as these assets are not yet available for use.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

- Freehold building: 20 years
- Leasehold lands: 99 years or leasehold period
- Leasehold buildings: 20 to 50 years
- Golf course: 99 years
- Plant and machinery: 5 to 20 years
- Office furniture, fittings and equipment: 4 to 10 years
- Motor vehicles: 5 years



## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.7 Property, plant and equipment (cont'd.)

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

### 2.8 Land held for property development and property development costs

#### (a) Land held for property development

Land held for property development consists of land where no development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle. Such land is classified within non-current assets and is stated at cost less any accumulated impairment losses.

Land held for property development is reclassified as property development costs at the point when development activities have commenced and where it can be demonstrated that the development activities can be completed within the normal operating cycle.

#### (b) Property development costs

Property development costs comprise all costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities.

When the financial outcome of a development activity can be reliably estimated, property development revenue and expenses are recognised in the profit or loss by using the stage of completion method. The stage of completion is determined by the proportion that property development costs incurred for work performed to-date bear to the estimated total property development costs.

Where the financial outcome of a development activity cannot be reliably estimated, property development revenue is recognised only to the extent of property development costs incurred that is probable will be recoverable, and property development costs on properties sold are recognised as an expense in the period in which they are incurred.

Any expected loss on a development project, including costs to be incurred over the defects liability period, is recognised as an expense immediately.

Property development costs not recognised as an expense are recognised as an asset, which is measured at the lower of cost and net realisable value.

The excess of revenue recognised in the profit or loss over billings to purchasers is classified as accrued billings within other current assets and the excess of billings to purchasers over revenue recognised in the profit or loss is classified as advance billings within other current liabilities.

### 2.9 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the period in which they arise, including the corresponding tax effect. Fair values are determined based on an annual evaluation performed by an accredited external, independent valuer.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the profit or loss in the period of derecognition.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.9 Investment properties (cont'd.)

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

### 2.10 Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ("CGU") fair value less costs to sell and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the profit or loss in expense categories consistent with the function of the impaired asset, except for a property previously revalued when the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

The following asset has specific characteristics for impairment testing:

#### Goodwill

Goodwill is tested for impairment annually as at 31 December and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.



## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.11 Inventories

Inventories represent completed residential properties, commercial properties and consumables.

Inventories of completed residential and commercial properties are stated at the lower of cost and net realisable value. Cost is determined on the specific identification basis and includes costs of land, construction and appropriate development overheads.

Inventories of consumables are stated at the lower of cost and net replacement cost. Cost is determined on the first-in, first-out basis.

Inventories of explosives are stated at lower of costs and net realisable value ("NRV"). Cost is determined using the weighted average cost method. The cost of raw materials comprises all costs of purchase plus the cost of bringing the inventories to their present location and condition. The cost of finished goods comprises raw materials, direct labour, other direct costs and production overheads based on normal operating capacity. It excludes borrowing costs.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

### 2.12 Construction work-in-progress

Construction work-in-progress represents the gross unbilled amount expected to be collection from customers for contract work performed to date. It is measured at cost plus profit recognised to date less progress billings and recognised losses. Cost includes all expenditure related directly to specific projects and an allocation of fixed and variable overheads incurred in the Group's contract activities based on normal operating capacity.

Construction work-in-progress is presented as part of other current assets as amount due from contract customers in the statements of financial position for all contracts in which costs incurred plus recognised profits exceed progress billings. If progress billings exceed costs incurred plus recognised profits, then the difference is presented as amount due to contract customers which is part of the other current liabilities in the statements of financial position.

### 2.13 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank, cash on hand and short-term deposits with a maturity of three months or less that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. These also include bank overdrafts that form an integral part of the Group's cash management.

### 2.14 Redeemable Convertible Unsecured Loan Stocks ("RCULS")

The RCULS are recognised as compound instruments, consisting of a liability component and an equity component. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for a similar non-convertible loan stock.

The difference between the proceeds of issue of the RCULS and the fair value assigned to the liability component, representing the conversion option is included in equity. The liability component is subsequently stated at amortised cost using the effective interest rate method until extinguished on conversion or redemption, whilst the value of the equity component is not adjusted in subsequent periods. Attributable transaction costs are apportioned and deducted directly from the liability and equity component based on their carrying amounts at the date of issue.

Under the effective interest rate method, the interest expense on the liability component is calculated by applying the prevailing market interest rate for a similar non-convertible loan stock to the instrument at the date of issue. The difference between this amount and the interest paid is added to the carrying amount of the RCULS.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.15 Share capital and share issuance expenses

An equity instrument is any contract that evidences a residual interest in the assets of the Group and the Company after deducting all of their liabilities. Ordinary shares are equity instruments.

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

### 2.16 Land use rights

Land use rights are initially measured at cost. Following initial recognition, land use rights are measured at cost less accumulated amortisation and accumulated impairment losses. The land use rights are amortised over their lease terms.

### 2.17 Subsidiaries

A subsidiary is an entity over which the Group has all the following:

- (i) power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- (ii) exposure, or rights, to variable returns from its investment with the investee; and
- (iii) the ability to use its power over the investee to affect its returns.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

### 2.18 Investments in associates and joint ventures

An associate is an entity in which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries.

The Group's investments in its associate and joint venture are accounted for using the equity method.

Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment.

The statement of profit or loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture. The Group recognised the excess of the unrealised profit over the carrying amount of the associate as deferred income.



## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.18 Investments in associates and joint ventures (cont'd.)

The aggregate of the Group's share of profit or loss of an associate and joint venture is shown on the face of the statement of profit or loss outside operating profit and represents profit or loss after tax and non-controlling interest in the subsidiaries of the associate or joint venture.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, then recognises the loss as share of profit of an associate and joint venture in the statement of profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

In the Company's separate financial statements, investments in associates and joint ventures are accounted for at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

### 2.19 Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date. The arrangement is assessed for whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

#### (a) As lessee

Finance leases that transfer substantially all the risks and benefits incidental to ownership of the leased item to the Group, are capitalised at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the profit or loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an operating expense in the profit or loss on a straight-line basis over the lease term.

#### (b) As lessor

Leases in which the Group does not transfer substantially all the risks and benefits of ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

### 2.20 Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period they are incurred. Borrowing costs consist of interest and other costs that the Group and the Company incurred in connection with the borrowing of funds.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.21 Government grant

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related cost, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset by equal annual instalments.

### 2.22 Taxes

#### (a) Income tax - current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### (b) Income tax - deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.



## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.22 Taxes (cont'd.)

#### (b) Income tax - deferred tax (cont'd.)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction to goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit or loss.

#### (c) Malaysian sales and services tax

Prior to 1 April 2015, revenues, expenses and assets are recognised net of the amount of sales tax except:

- when the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable; and
- when receivables and payables are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

#### (d) Malaysian Goods and Services Tax ("GST")

On and after 1 April 2015, revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.23 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

### 2.24 Sinking fund

Sinking fund of the Group is established for the purpose of covering costs of periodic major repairs or capital replacements in the golf and country resort of the Group. A fraction of 10% of monthly subscription fees received from members during the year are credited to this reserve.

The amount credited into the sinking fund account during the year is subsequently paid to a fund which is kept in a separate trust account and administered by a Trustee.

Monies in the sinking fund are invested by the Trustee. Any income arising out of the investment is accrued to the fund.

### 2.25 Deferred licence fees

License fees are received upon admission of new members of the golf and country resort of the Group after January 1993, and are recognised in the profit or loss over the remaining terms of the membership licenses, which would expire on 9 October 2051.

### 2.26 Employee benefits

#### (a) Defined contribution plan

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. The Malaysian companies in the Group make contributions to the Employee Provident Fund in Malaysia, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

#### (b) Employee share option plans

Employees of the Group receive remuneration in the form of share options as consideration for services rendered. The cost of these equity-settled transactions with employees is measured by reference to the fair value of the options at the date on which the options are granted. This cost is recognised in profit or loss, with a corresponding increase in the employee share option reserve over the vesting period. The cumulative expense recognised at each reporting date until the vesting date reflects the extent to which the vesting period of 5 years have expired and the Group's best estimate of the number of options that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in cumulative expense recognised at the beginning and end of that period.

No expense is recognised for options that do not ultimately vest, except for options where vesting is conditional upon a market or non-vesting condition, which are treated as vested irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied. The employee share option reserve is transferred to retained earnings upon expiry of the share options. When the options are exercised, the employee share option reserve is transferred to share capital if new shares are issued, or to treasury shares if the options are satisfied by the reissuance of treasury shares.



## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.27 Foreign currencies

The Group's consolidated financial statements are presented in Ringgit Malaysia, which is also the parent company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and has elected to recycle the gain or loss that arises from using this method.

#### (a) Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in other comprehensive income until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of gain or loss on change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss are also recognised in other comprehensive income or profit or loss, respectively).

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

#### (b) Group companies

On consolidation, the assets and liabilities of foreign operations are translated into Ringgit Malaysia at the rate of exchange prevailing at the reporting date and their profit or loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

### 2.28 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment. The specific recognition criteria described below must also be met before revenue is recognised.

#### (a) Sale of properties

Revenue from sale of properties is accounted for by the stage of completion method.

#### (b) Recreation and resort operations

Entrance fees are recognised upon signing of membership agreements. Deferred license fees are recognised over the period of the membership. Income from monthly subscription fees is recognised on an accrual basis.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.28 Revenue (cont'd.)

#### (c) Sale of goods

Revenue from sale of goods is recognised upon the transfer of significant risk and rewards of ownership of the goods to the customer. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

#### (d) Rental of hotel rooms

Rental of hotel rooms is recognised when services are rendered on an accrual basis.

#### (e) Dividend income

Dividend income is recognised when the right to receive payment is established.

#### (f) Interest income

Interest income is recognised by using the effective interest method.

#### (g) Rental income

Rental income is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

#### (h) Management fees

Management fees are recognised when services are rendered.

### 2.29 Segment reporting

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are disclosed in Note 48, including the factors used to identify the reportable segments and the measurement basis of segment information.

### 2.30 Contingencies

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future event(s) not wholly within the control of the Group.

Contingent liabilities and assets are not recognised in the statements of financial position of the Group.



## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.31 Fair value measurement

The Group measures financial instruments, such as, derivatives, and non-financial assets such as investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 43.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (a) In the principal market for the asset or liability, or
- (b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- (a) Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- (b) Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- (c) Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's management determines the policies and procedures for both recurring fair value measurement, such as investment properties and unquoted AFS financial assets, and for non-recurring measurement, such as assets held for distribution in discontinued operation.

External valuers are involved for valuation of significant assets, such as properties and AFS financial assets, and significant liabilities, such as contingent consideration. Selection criteria of external valuers include market knowledge, reputation, independence and whether professional standards are maintained. The management decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.31 Fair value measurement (cont'd.)

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Group's external valuers, also compares each the changes in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

The management and the Group's external valuers present the valuation results to the audit committee and the Group's independent auditors. This includes a discussion of the major assumptions used in the valuations.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

### 2.32 Discontinued operations

The Group classifies non-current assets and disposal groups as held for sale or for distribution to equity holders of the parent if their carrying amounts will be recovered principally through a sale or distribution rather than through continuing use. Such non-current assets and disposal groups classified as held for sale or as held for distribution are measured at the lower of their carrying amount and fair value less costs to sell or to distribute. Costs to distribute are the incremental costs directly attributable to the distribution, excluding the finance costs and income tax expense.

The criteria for held for distribution classification is regarded as met only when the distribution is highly probable and the asset or disposal group is available for immediate distribution in its present condition. Actions required to complete the distribution should indicate that it is unlikely that significant changes to the distribution will be made or that the distribution will be withdrawn group held Management must be committed to the distribution expected within one year from the date of the classification. Similar considerations apply to assets or a disposal for sale.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale or as held for distribution.

Assets and liabilities classified as held for sale or for distribution are presented separately as current items in the statement of financial position.

A disposal group qualifies as discontinued operation if it is:

- A component of the Group that is a CGU or a group of CGUs
- Classified as held for sale or distribution or already disposed in such a way, or
- A major line of business or major geographical area

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit or loss.

### 2.33 Treasury shares

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in share premium. Share options exercised during the reporting period are satisfied with treasury shares.



## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.34 Current and non-current classification

The Group presents its assets and liabilities in statement of financial position based on current/non-current classification. An asset as current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current. A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

## 3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

### 3.1 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

#### (a) Property development

The Group recognises property development revenues and expenses in the statements of comprehensive income by using the stage of completion method. The stage of completion is determined by the proportion that property development costs incurred for work performed to date bear to the estimated total property development costs.

Significant judgement is required in determining the stage of completion, the extent of the property development costs incurred, the estimated total property development revenues and costs, as well as the recoverability of the property development costs. In making the judgement, the Group evaluates based on past experience and by relying on the work of specialists.

Where the financial outcome of a development activity cannot be reliably estimated, property development revenue is recognised to the extent of property development costs incurred that it is probable will be recoverable until the activity reaches a desired stage of completion, which the Group views as a reasonable benchmark based on past experience and by relying on the work of specialists.

### 3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D.)

#### 3.1 Key sources of estimation uncertainty (cont'd.)

##### (b) Deferred tax assets

Deferred tax assets are recognised for all unused tax losses, unabsorbed capital allowances and other deductible temporary differences to the extent that it is probable that taxable profit will be available against which the losses and capital allowances can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The total unrecognised tax losses and unutilised capital allowances of the Group are disclosed in Note 12.

##### (c) Impairment of goodwill

Goodwill are tested for impairment annually and at other times when such indicators exist. This requires an estimation of the value in use of the cash-generating units to which goodwill and brands are allocated.

When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows. Further details of the carrying value, the key assumptions applied in the impairment assessment of goodwill and brands and sensitivity analysis to changes in the assumptions are disclosed in Note 23.

##### (d) Impairment of loans and receivables

The Group assesses at each reporting date whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. The carrying amount of the Group's loans and receivable at the reporting date is disclosed in Note 25.

##### (e) Employee share options

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions, sensitivity analysis and the carrying amounts are disclosed in Note 32.

##### (f) Revaluation of investment properties

The Group carries its investment properties at fair value, with changes in fair values being recognised in profit or loss. Significant judgement is required in determining fair value which may be derived based on different valuation method. In making the judgement, the Group evaluates based on past experience and by relying on the work of specialists. The Group engaged independent valuation specialists to determine fair value as at 31 December 2015.



### 3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D.)

#### 3.2 Judgement made in applying accounting policies

In the process of applying the Group's accounting policies, management has made the following judgement, apart from there involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

**(a) Classification between operating lease and finance lease for leasehold land**

The Group has developed certain criteria based on FRS 117 Leases in making judgement whether a leasehold land should be classified either as operating lease or finance lease.

Finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an assets and operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership. If the leasehold land meets the criteria of the finance lease, the lease will be classified as property, plant and equipment if it is for own use or will be classified as investment property if it is to earn rentals or for capital appreciation or both. Judgements are made on the individual leasehold land to determine whether the leasehold land qualifies as operating lease or finance lease.

The Group has classified the leases as finance leases as they have met the criteria of a finance lease under FRS 117.

**(b) Revenue recognition on land sales**

The Group recognised the revenue from land sales when all the contractual conditions precedent in the sales and purchase agreement are fulfilled and that the agreement has become unconditional. The management is of the view that the significant ownership risk and rewards have passed to the buyer when the contractual conditions precedent are fulfilled.

The Group has recognised the revenue from land sales in accordance with FRS 118.

#### 4. REVENUE

	Group		Company	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Management fees	-	145	-	145
Sale of properties	970,105	1,081,210	-	-
Sales of land	106,766	480,686	-	-
Sales of building materials	35,167	32,096	-	-
Revenue from recreation and resort operations	39,342	32,678	-	-
Property management and maintenance fee income	10,182	7,049	-	-
Rent and related income from shopping mall, office tower and investment properties	67,354	103,348	-	-
Rental of rooms and other related hotel income	4,750	5,488	-	-
Revenue from landscape services	18,717	15,650	-	-
Dividend income from subsidiaries	-	-	187,500	131,170
Others	331	495	-	-
	1,252,714	1,758,845	187,500	131,315

#### 5. COST OF SALES

	Group	
	2015	2014
	RM'000	RM'000
Property development costs (Note 16(b))	634,359	673,428
Cost of land	84,343	307,097
Cost of inventories and building materials sold	51,457	37,658
Cost of services rendered:		
- recreation and resort operations	17,846	16,312
- hotel management services	1,537	1,655
- landscape services	14,486	11,965
- property management	6,055	6,096
- mall and office operations and investment properties	26,028	42,013
	836,111	1,096,224



## 6. OTHER INCOME

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Management fees	5,565	4,014	-	-
Rental income	6,055	3,712	-	-
Gain on disposal of property, plant and equipment	12,149	2,224	-	-
Gain on disposal of investment properties	126,032	62,180	-	-
Fair value gains on investment properties (Note 17)	3,298	22,053	-	-
Reversal of impairment loss on trade and other receivables	-	276	5,864	34,531
Miscellaneous	9,407	11,125	-	-
	162,506	105,584	5,864	34,531

## 7. FINANCE INCOME

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Interest from:				
- Deposits	21,015	8,231	6,765	3,032
- Amounts due from subsidiaries	-	-	29,676	26,464
- Unwinding of discount on amounts due from subsidiaries	-	-	5,142	2,685
- Others	4,805	2,371	-	-
	25,820	10,602	41,583	32,181

## 8. FINANCE COSTS

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Interest expense on borrowings	129,289	103,884	36,744	31,746
Less: Interest expense capitalised in				
- construction-in-progress (Note 15(b))	(5,747)	(4,447)	-	-
- land held for property development (Note 16(a))	(47,042)	(35,684)	-	-
- property development costs (Note 16(b))	(26,387)	(24,521)	-	-
- investment properties (Note 17)	(1,340)	(1,601)	-	-
Interest expensed in profit and loss	48,773	37,631	36,744	31,746
Add:				
- Unwinding of RCULS liability	187	2,536	187	2,536
- Unwinding of discount on retention sum payables	990	1,914	-	-
- Unwinding of discount on deposits rental refundable	113	495	-	-
- Unwinding of discount on security retainers (Note 35)	295	362	-	-
- Amortisation of borrowing costs (Note 38)	14,647	6,291	1,102	1,232
<b>Total finance costs</b>	<b>65,005</b>	<b>49,229</b>	<b>38,033</b>	<b>35,514</b>

## 9. PROFIT BEFORE TAX

The following amounts have been included in arriving at profit before tax:

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Employee benefits expense (Note 10)	84,368	129,767	920	4,484
- continuing operations	80,326	121,359	920	4,484
- discontinued operation	4,042	8,408	-	-
Non-executive directors' remuneration (Note 11)	1,598	3,823	873	1,873
- continuing operations	1,344	3,515	873	1,873
- discontinued operation	254	308	-	-
Auditors' remuneration				
- Current year	862	1,029	101	101
- continuing operations	804	902	101	101
- discontinued operation	58	127	-	-
Depreciation of property, plant and equipment	28,268	29,069	661	1,194
- continuing operations	26,939	24,697	661	1,194
- discontinued operation	1,329	4,372	-	-
Minimum operating lease payments:				
- office premises	5,020	825	537	414
- office equipment	453	450	2	6
Amortisation of endowment fund premium (Note 22)	11	11	-	-
Unrealised returns on endowment policy (Note 22)	(231)	(224)	-	-
Impairment loss on trade and other receivables	450	748	4,127	6,713
Impairment loss on investments in subsidiaries	-	-	57,638	5,854
Impairment on intangible assets (Note 23)	10,662	-	-	-
Intangible assets written off (Note 23)	6,474	-	-	-
Property, plant and equipment written off	3,582	1,893	-	-
Amortisation of deferred license fees (Note 36)	(2,411)	(2,367)	-	-
Unrealised foreign exchange loss				
- discontinued operation	310	1,716	-	-
Direct operating expenses due to rental generating investment properties	26,028	42,013	-	-



## 10. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Salaries and bonuses	73,682	100,686	809	2,206
Social security contributions	438	478	-	-
Contributions to defined contribution plan	9,176	12,670	23	297
Share options granted under ESOS	-	17,113	-	1,143
Other benefits	17,059	24,873	88	838
<b>Total expenses</b>	<b>100,355</b>	<b>155,820</b>	<b>920</b>	<b>4,484</b>
Less: Amount included in cost of sales	(15,987)	(26,053)	-	-
<b>Included in administrative expenses</b>	<b>84,368</b>	<b>129,767</b>	<b>920</b>	<b>4,484</b>

Included in employee benefits expense of the Group and of the Company are executive directors' remuneration amounting to RM20,152,000 (2014: RM43,010,000) and RM448,000 (2013: RM2,004,000) respectively, as disclosed in Note 11.

## 11. DIRECTORS' REMUNERATION

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
<b>Directors of the Company</b>				
Executive:				
Salaries and other emoluments	10,016	20,343	400	1,789
Bonus	2,201	2,096	-	-
Defined contribution plan	1,377	2,307	48	215
Share options granted under ESOS	-	7,399	-	-
	<b>13,594</b>	<b>32,145</b>	<b>448</b>	<b>2,004</b>
Non-executive:				
Fees	873	712	873	712
Other emoluments	-	145	-	18
Share options granted under ESOS	-	1,143	-	1,143
	<b>873</b>	<b>2,000</b>	<b>873</b>	<b>1,873</b>
<b>Total directors' remuneration of the Company</b>	<b>14,467</b>	<b>34,145</b>	<b>1,321</b>	<b>3,877</b>

11. DIRECTORS' REMUNERATION (CONT'D.)

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
<b>Other directors</b>				
Executive:				
Salaries and other emoluments	4,964	6,212	-	-
Bonus	947	1,323	-	-
Defined contribution plan	647	905	-	-
Share options granted under ESOS	-	2,425	-	-
	6,558	10,865	-	-
Non-executive:				
Fees	575	1,580	-	-
Other emoluments	150	243	-	-
	725	1,823	-	-
<b>Total other directors' remuneration</b>	<b>7,283</b>	<b>12,688</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>21,750</b>	<b>46,833</b>	<b>1,321</b>	<b>3,877</b>

Analysis of directors' remuneration:

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Total executive directors' remuneration	20,152	43,010	448	2,004
Total non-executive directors' remuneration	1,598	3,823	873	1,873
Total directors' remuneration	21,750	46,833	1,321	3,877



## 11. DIRECTORS' REMUNERATION (CONT'D.)

The aggregate remuneration of directors of the Company are analysed into appropriate bands as follows:

	Number of directors	
	2015	2014
Executive directors:		
RM300,001 - RM350,000	-	1
RM650,001 - RM700,000	1	-
RM700,001 - RM750,000	1	-
RM1,350,001 - RM1,400,000	1	-
RM1,400,001 - RM1,450,000	1	-
RM2,050,001 - RM2,100,000	1	-
RM2,200,001 - RM2,250,000	1	-
RM2,250,001 - RM2,300,000	-	1
RM2,300,001 - RM2,350,000	1	-
RM2,550,001 - RM2,600,000	-	1
RM2,650,001 - RM2,700,000	1	-
RM2,800,001 - RM2,850,000	-	1
RM3,150,001 - RM3,200,000	-	1
RM3,800,001 - RM3,850,000	-	1
RM4,000,001 - RM4,050,000	-	1
RM13,100,001 - RM13,150,000	-	1
Non-executive directors:		
RM50,001 - RM100,000	2	-
RM100,001 - RM150,000	3	-
RM300,001 - RM350,000	-	2
RM350,001 - RM400,000	1	1
RM450,001 - RM500,000	-	2

## 12. INCOME TAX EXPENSE/(CREDIT)

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Current income tax:				
Malaysian income tax	79,415	82,317	1,500	821
Under/(Over) provision in prior years	2,431	(16,930)	(98)	(2,542)
	81,846	65,387	1,402	(1,721)
Real property gain tax	30,189	7,273	-	-
	112,035	72,660	1,402	(1,721)
Deferred tax (Note 34):				
- Origination and reversal of temporary differences	(21,879)	(4,245)	238	1,176
- Over provision in prior years	(25,808)	(40)	-	-
	(47,687)	(4,285)	238	1,176
Total income tax expense/(credit)	64,348	68,375	1,640	(545)
<b>Represented by:</b>				
Continuing operations	60,753	60,037	1,640	(545)
Discontinued operation (Note 18(b))	3,595	8,338	-	-
Total income tax expense/(credit)	64,348	68,375	1,640	(545)

Domestic income tax is calculated at the Malaysian statutory tax rate of 25% (2014: 25%) of the estimated assessable profit for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions. The domestic statutory tax rate will be reduced to 24% from the current year's rate of 25% effective year of assessment 2016. The computation of deferred tax as at 31 December 2015 has reflected these changes.



## 12. INCOME TAX EXPENSE/(CREDIT) (CONT'D.)

The reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate are as follows:

	<b>Group</b>	
	<b>2015</b>	<b>2014</b>
	<b>RM'000</b>	<b>RM'000</b>
Profit before tax from continuing operations	269,557	411,619
Taxation at Malaysian statutory tax rate of 25% (2014: 25%)	67,389	102,905
Income not subject to tax	(1,201)	(8,734)
Expenses not deductible for tax purposes	37,931	36,837
Deferred tax recognised at different tax rate	(67)	(739)
Adjustment for income taxed under Real Property Gain Tax	(33,102)	(11,425)
Deferred tax asset not recognised	19,315	2,685
Utilisation of previously unrecognised tax losses and unabsorbed capital allowances	(1,649)	(5,989)
Deferred tax liabilities not recognised arising from initial recognition of assets	-	(35,660)
Over provision of deferred tax in prior years	(25,808)	(40)
Under/(Over) provision of tax expense in prior years	2,431	(16,930)
Share of results of joint ventures	(4,486)	(2,873)
Income tax expense for continuing operations	60,753	60,037

	<b>Company</b>	
	<b>2015</b>	<b>2014</b>
	<b>RM'000</b>	<b>RM'000</b>
Profit before tax	113,574	119,352
Taxation at Malaysian statutory tax rate of 25% (2014: 25%)	28,394	29,838
Income not subject to tax	(49,626)	(38,107)
Expenses not deductible for tax purposes	22,970	10,266
Over provision in prior years	(98)	(2,542)
Income tax expense/(credit)	1,640	(545)

Tax savings during the financial year arising from:

	<b>Group</b>	
	<b>2015</b>	<b>2014</b>
	<b>RM'000</b>	<b>RM'000</b>
Utilisation of previously unrecognised tax losses and unabsorbed capital allowances	6,596	23,956

## 12. INCOME TAX EXPENSE/(CREDIT) (CONT'D.)

The Group has the following tax losses and capital allowances that are available indefinitely for offsetting against future taxable profits of the companies in which they arose:

	Group	
	2015 RM'000	2014 RM'000
Capital allowances	27,154	27,154
Tax losses	193,298	132,710

The following are deferred tax benefits which have not been recognised as the Group could not anticipate their ultimate realisation:

	Group	
	2015 RM'000	2014 RM'000
Unrecognised capital allowances	2,895	2,895
Unrecognised tax losses	126,237	55,573
	129,132	58,468
Potential income if fully recognised at 24%	30,992	14,032

## 13. EARNINGS PER SHARE

### Basic

Basic earnings per share is calculated by dividing profit for the year, net of tax, attributable to the equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	Group	
	2015 RM'000	2014 RM'000
Net profit attributable to the equity holders of the Company		
- Continuing operations	188,561	312,219
- Discontinued operation	34,741	21,717
	223,302	333,936

	Number of shares '000	
	2015	2014
Weighted average number of ordinary shares for basic earnings per share computation	1,437,801	1,343,615
Basic earnings per share (sen)		
- Continuing operations	13.11	23.24
- Discontinued operation	2.42	1.61
	15.53	24.85



### 13. EARNINGS PER SHARE (CONT'D.)

#### Diluted

Diluted earnings per share is calculated by dividing the net profit attributable to the equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

	Group	
	2015 RM'000	2014 RM'000
Net profit attributable to the equity holders of the Company		
- Continuing operations	188,561	312,219
- Discontinued operation	34,741	21,717
	223,302	333,936
	Number of shares '000	
	2015	2014
Weighted average number of ordinary shares for basic earnings per share computation	1,437,801	1,343,615
Effects of dilution:		
- Share options	-	1,857
- Warrants 2009/2019	1,731	13,960
Weighted average number of ordinary shares for diluted earnings per share computation	1,439,532	1,359,432
Diluted earnings per share (sen)		
- Continuing operations	13.09	22.97
- Discontinued operation	2.42	1.61
	15.51	24.58

In the previous financial year, RCULS had not been included in the calculation of diluted earnings per share because they were anti-dilutive.

There were no other transactions involving ordinary shares or potential ordinary shares since the reporting date and the date of authorisation of these financial statements.

#### 14. DIVIDENDS

	Dividends in respect of Year		Dividends recognised in Year	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
<b>Group and Company</b>				
<b>Recognised during the year:</b>				
First interim dividend for 2014:				
4.0 sen single tier dividend per share on 1,367,750,000 ordinary shares	-	54,710	-	54,710
Final dividend for 2014:				
Final single-tier Share Dividend via a distribution of Treasury Shares on the basis of 1.3 treasury shares for every 100 existing ordinary shares of RM1 each held in the Company (Note 29(a))	34,631	-	34,631	-
First interim dividend for 2015:				
5.0 sen single-tier dividend per share, on 1,436,025,893 ordinary shares	71,801	-	71,801	-
	106,432	54,710	106,432	54,710

The Group has declared second interim dividend of 2.0 sen per share in respect of the financial year ended 31 December 2015 on 19 February 2016, which will be payable on 17 March 2016. The dividend expense has not been recognised in the statements of comprehensive income for the current financial year.

The directors do not recommend final dividend in respect of the financial year ended 31 December 2015.



15. **PROPERTY, PLANT AND EQUIPMENT**

Group	Freehold land	Freehold building	Leasehold land	Leasehold buildings	Construction in-progress	Golf course	Plant and machineries	Office furniture, fittings and equipments	Motor vehicles	Total
At 31 December 2015	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Cost</b>										
<b>At 1 January 2015</b>	105,601	455	175,368	151,271	110,188	53,832	36,142	85,243	32,607	750,707
Additions	1,359	-	-	18,876	113,608	-	2,772	6,197	1,920	144,732
Disposals	(12,402)	-	-	-	-	-	(23)	(66)	(2,781)	(15,272)
Write off	-	-	-	(2,091)	(15)	-	(583)	(4,252)	(96)	(7,037)
Transfer to assets classified as held for sale (Note 28)	(13,685)	-	-	(33,000)	-	-	-	(9,661)	-	(56,346)
Disposal of a subsidiary (Note 18(b))	(774)	(455)	-	(1,910)	-	-	(4,720)	(1,430)	(7,914)	(17,203)
Exchange differences	-	-	-	131	-	-	104	120	265	620
<b>At 31 December 2015</b>	80,099	-	175,368	133,277	223,781	53,832	33,692	76,151	24,001	800,201
<b>Accumulated depreciation</b>										
<b>At 1 January 2015</b>	-	-	32,128	44,090	-	17,033	28,544	37,094	15,359	174,248
Depreciation (Note 9)	-	-	2,027	12,066	-	942	2,479	5,622	5,132	28,268
Disposals	-	-	-	-	-	-	(23)	(13)	(2,077)	(2,113)
Write off	-	-	-	(835)	-	-	(449)	(2,075)	(96)	(3,455)
Transfer to assets classified as held for sale (Note 28)	-	-	-	(2,255)	-	-	-	(3,351)	-	(5,606)
Disposal of a subsidiary (Note 18(b))	-	-	-	(375)	-	-	(3,144)	(518)	(3,363)	(7,400)
Exchange differences	-	-	27	-	-	-	-	89	171	287
<b>At 31 December 2015</b>	-	-	34,182	52,691	-	17,975	27,407	36,848	15,126	184,229
<b>Net carrying amount</b>	80,099	-	141,186	80,586	223,781	35,857	6,285	39,303	8,875	615,972

15. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

Group	Freehold land	Freehold building	Leasehold land	Leasehold buildings	Construction in-progress	Golf course	Plant and machineries	Office furniture, fittings and equipments	Motor vehicles	Total
At 31 December 2014	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Cost</b>										
<b>At 1 January 2014</b>	125,868	16,778	183,880	148,102	52,031	53,832	32,667	62,146	24,986	700,290
Additions	290	-	-	3,638	60,622	-	3,015	22,704	6,788	97,057
Disposals	-	-	(8,512)	-	-	-	(900)	(512)	(599)	(10,523)
Write off	-	-	-	(415)	(325)	-	(78)	(1,408)	(12)	(2,238)
Reclassification	-	-	-	-	(2,140)	-	-	2,140	-	-
Transfer to assets classified as held for sale (Note 28)	(20,564)	(16,323)	-	-	-	-	-	-	-	(36,887)
Exchange differences	7	-	-	(54)	-	-	1,438	173	1,444	3,008
<b>At 31 December 2014</b>	105,601	455	175,368	151,271	110,188	53,832	36,142	85,243	32,607	750,707
<b>Accumulated depreciation</b>										
<b>At 1 January 2014</b>	-	354	30,113	37,061	-	16,091	24,689	28,936	8,737	145,981
Depreciation (Note 9)	-	356	2,033	7,043	-	942	3,947	8,507	6,241	29,069
Disposals	-	-	(18)	-	-	-	(900)	(80)	(512)	(1,510)
Write off	-	-	-	-	-	-	(64)	(269)	(12)	(345)
Transfer to assets classified as held for sale (Note 28)	-	(710)	-	-	-	-	-	-	-	(710)
Exchange differences	-	-	-	(14)	-	-	872	-	905	1,763
<b>At 31 December 2014</b>	-	-	32,128	44,090	-	17,033	28,544	37,094	15,359	174,248
<b>Net carrying amount</b>	105,601	455	143,240	107,181	110,188	36,799	7,598	48,149	17,248	576,459



**15. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)**

	Office furniture, fittings and equipments RM'000	Motor vehicles RM'000	Total RM'000
<b>Company</b>			
<b>At 31 December 2015</b>			
<b>Cost</b>			
At 1 January 2015	10,516	254	10,770
Additions	97	-	97
At 31 December 2015	10,613	254	10,867
<b>Accumulated depreciation</b>			
At 1 January 2015	8,292	164	8,456
Depreciation (Note 9)	610	51	661
At 31 December 2015	8,902	215	9,117
<b>Net carrying amount</b>	1,711	39	1,750
<b>At 31 December 2014</b>			
<b>Cost</b>			
At 1 January 2014	10,433	254	10,687
Additions	83	-	83
At 31 December 2014	10,516	254	10,770
<b>Accumulated depreciation</b>			
At 1 January 2014	7,149	113	7,262
Depreciation (Note 9)	1,143	51	1,194
At 31 December 2014	8,292	164	8,456
<b>Net carrying amount</b>	2,224	90	2,314

(a) The net carrying amounts of property, plant and equipment pledged as securities for borrowings as disclosed in Note 38 are as follows:

	<b>Group</b>	
	<b>2015 RM'000</b>	<b>2014 RM'000</b>
Freehold land and buildings	57,439	101,212
Leasehold land	61,017	61,477
Leasehold buildings	56,490	58,065
Golf course	35,857	36,799
	210,803	257,553

## 15. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

- (b) Interest expense capitalised during the financial year under construction-in-progress of the Group amounted to RM5,747,000 (2014: RM4,447,000).
- (c) The Group's construction-in-progress relates mainly to expenditure for:
- (i) a proposed international school located at Mukim Sungai Buloh, Daerah Petaling, Negeri Selangor which is expected to be completed by 2016;
  - (ii) a proposed hotel located at Jalan Ampang, Kuala Lumpur which is expected to be completed by 2018; and
  - (iii) a proposed hotel located at Jalan Anson, Penang which is expected to be completed by 2017.
- (d) During the financial year, the Group acquired property, plant and equipment with an aggregate costs of RM533,000 (2014: RM3,383,000) by means of hire purchase. The cash outflow on acquisition of property, plant and equipment amounted to RM138,452,000 (2014: RM89,227,000).

The carrying amount of property, plant and equipment held under hire purchase at the reporting date were RM6,338,000 (2014: RM10,278,000).

## 16. LAND HELD FOR PROPERTY DEVELOPMENT AND PROPERTY DEVELOPMENT COSTS

### (a) Land held for property development

	Group	
	2015 RM'000	2014 RM'000
<b>Cost</b>		
At 1 January:		
Freehold land	1,382,726	1,098,413
Leasehold land	716,909	292,374
	2,099,635	1,390,787
Additions	351,019	1,292,463
Transfer from/(to) property development (Note 16(b))	23,761	(280,023)
Disposals	(84,343)	(303,592)
At 31 December	2,390,072	2,099,635
<b>Accumulated impairment losses</b>		
At 1 January/31 December	151	151
<b>Carrying amount at 31 December</b>	<b>2,389,921</b>	<b>2,099,484</b>

Interest expense capitalised during the financial year under land held for property development amounted to RM47,042,000 (2014: RM35,684,000).

The freehold and leasehold land with aggregate carrying amounts of RM1,478,375,000 (2014: RM1,208,582,000) are pledged as security for bank borrowings as disclosed in Note 38.

## 16. LAND HELD FOR PROPERTY DEVELOPMENT AND PROPERTY DEVELOPMENT COSTS (CONT'D.)

### (b) Property development costs

	Group	
	2015 RM'000	2014 RM'000
<b>Property development costs:</b>		
At 1 January		
Freehold land	441,971	238,051
Leasehold land	136,124	101,083
Development costs	1,604,555	1,410,098
	2,182,650	1,749,232
<b>Costs incurred during the year:</b>		
Land costs	-	35,041
Development costs	811,251	761,012
	811,251	796,053
<b>Reversal of completed projects:</b>		
Freehold land	-	(76,103)
Leasehold land	(4,007)	-
Development costs	(151,214)	(548,746)
	(155,221)	(624,849)
<b>Costs recognised in profit or loss:</b>		
At 1 January	(1,246,977)	(1,194,893)
Recognised during the year (Note 5)	(634,359)	(673,428)
Disposal of land	-	(3,505)
Accumulated costs, reversed during the financial year in respect of completed projects	155,221	624,849
At 31 December	(1,726,115)	(1,246,977)
<b>Transfers from/(to)</b>		
Land held for property development (Note 16(a))	(23,761)	280,023
Investment properties (Note 17)	22,646	-
Inventories	(34,325)	(17,809)
	(35,440)	262,214
<b>At 31 December</b>	<b>1,077,125</b>	<b>935,673</b>

Interest expense capitalised during the financial year under property development cost amounted to RM26,387,000 (2014: RM24,521,000).

The freehold and leasehold land with aggregate carrying amounts of RM425,276,000 (2014: RM250,635,000) are pledged as security for bank borrowings as disclosed in Note 38.

Acquisitions of land during the financial year are disclosed in Note 49.



## 17. INVESTMENT PROPERTIES

Group	Freehold land and buildings RM'000	Leasehold land and buildings RM'000	Shopping mall and car park podium RM'000	Office tower RM'000	Construction in progress RM'000	Total RM'000
<b>Fair value</b>						
<b>At 1 January 2015</b>	205,000	244,426	-	-	91,907	541,333
Additions	-	18	-	-	8,619	8,637
Net gains from fair value adjustment recognised in profit or loss (Note 6)	-	3,298	-	-	-	3,298
Transfer to assets classified as held for sale (Note 28)	(130,000)	-	-	-	-	(130,000)
Transfer to property development (Note 16(b))	-	-	-	-	(22,646)	(22,646)
Disposals	-	(11,000)	-	-	-	(11,000)
<b>At 31 December 2015</b>	75,000	236,742	-	-	77,880	389,622
<b>At 1 January 2014</b>	522,846	258,786	414,767	36,666	66,380	1,299,445
Additions	1,363	2,877	1,390	-	25,527	31,157
Net gains from fair value adjustment recognised in profit or loss (Note 6)	-	8,916	13,137	-	-	22,053
Transfer to assets classified as held for sale (Note 28)	(319,209)	(7,000)	(424,356)	(36,666)	-	(787,231)
Over accrued of costs in prior year	-	-	(4,938)	-	-	(4,938)
Disposals	-	(19,153)	-	-	-	(19,153)
<b>At 31 December 2014</b>	205,000	244,426	-	-	91,907	541,333

## 17. INVESTMENT PROPERTIES (CONT'D.)

Interest expense capitalised during the financial year under investment properties under construction amounted to RM1,340,000 (2014: RM1,601,000).

The carrying amount of the investment properties pledged as security for bank borrowings as disclosed in Note 38 are as follows:

	2015 RM'000	2014 RM'000
Freehold land and building	55,274	55,274
Leasehold land and building	213,900	342,600
	269,174	397,874

The Group has no restrictions on the realisability of its investment properties and no contractual obligations to either purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

Investment properties are stated at fair value, which has been determined based on valuations performed by accredited independent valuers as at 31 December 2015 and 2014. The independent valuers are specialists in valuing these types of investment properties. The fair value of the properties has been determined using the cost method, comparison method and investment method depending on the nature of the property.

The investment properties under construction in progress is carried out at cost as management believes that due to the nature and the amount of remaining project risks, its fair value cannot be reliable determined.

Fair value hierarchy disclosures for investment properties is disclosed in Note 43.

### Reconciliation of fair values:

	Land RM'000	Commercial building RM'000	Shopping mall building RM'000
<b>At 1 January 2015</b>	20,458	428,968	-
Re-measurement recognised in profit or loss	1,998	1,300	-
Additions	18	-	-
Disposal	-	(11,000)	-
Transfer to assets classified as held for sale	-	(130,000)	-
<b>At 31 December 2015</b>	22,474	289,268	-
<b>At 1 January 2014</b>	44,376	690,270	498,419
Re-measurement recognised in profit or loss	381	8,535	13,137
Additions	1,854	1,206	2,570
Disposal	(19,153)	-	-
Transfer to assets classified as held for sale	(7,000)	(271,043)	(509,188)
Over accrued of cost	-	-	(4,938)
<b>At 31 December 2014</b>	20,458	428,968	-

## 17. INVESTMENT PROPERTIES (CONT'D.)

Description of valuation techniques used and key inputs to valuation on investment properties:

	Valuation	Significant unobservable inputs	Range (weighted average)
Land	Comparison Method	The comparison method entails analysing recent transactions and asking prices of similar property in and around the locality for comparison purposes with adjustments made for differences in location, visibility, size and tenure.	-
	Cost Method	The land component is assessed using comparison method while the building component is assessed based on depreciated value.	-
Commerical building	Investment Method**	Estimated rental value per sqft per month	RM1.00-RM9.25
		Expected market rental growth	-
		Long-term vacancy rate	5%-10%
		Discount rate	4%-8%

\*\* The investment method entails determining the net annual income by deducting the annual outgoings from the gross annual income and capitalising the net income by suitable rate of return consistent with the type and quality of the investment to arrive at the market value of the subject property.

## 18. INVESTMENTS IN SUBSIDIARIES

	2015 RM'000	2014 RM'000
Shares, at cost		
In Malaysia	1,328,468	1,361,737
Less: Impairment losses	(65,513)	(7,875)
	1,262,955	1,353,862
ESOS granted to employees of subsidiaries	38,215	38,215
Discount on loans to subsidiaries	44,983	40,387
	1,346,153	1,432,464



## 18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Details of the subsidiaries are as follows:

Name of subsidiaries	Country of incorporation	Principal activities	% of ownership interest held by the Group <sup>#</sup>		% of ownership interest held by non-controlling interests <sup>#</sup>	
			2015	2014	2015	2014
Advent Nexus Sdn. Bhd.	Malaysia	Providing hotel management and services	100	100	-	-
Arah Pelangi Sdn. Bhd.	Malaysia	Property development	100	100	-	-
Arena Influx Sdn. Bhd.	Malaysia	Dormant	100	100	-	-
Bakat Rampai Sdn. Bhd. ("BRSB")	Malaysia	Investment holding	100	100	-	-
<b>Subsidiaries of BRSB:</b>						
Dicorp Land Sdn. Bhd.	Malaysia	Property development	100	100	-	-
Tropicana Indah Realty Sdn. Bhd. ("TIRSB")	Malaysia	Investment holding	100	100	-	-
<b>Subsidiary of TIRSB:</b>						
Tropicana Indah Sdn. Bhd.	Malaysia	Property development	70	70	30	30
Tropicana City Sdn. Bhd. ("TCSB")	Malaysia	Property development and property investment in Tropicana City Mall	100	100	-	-
<b>Subsidiaries of TCSB:</b>						
Dicasa Management Services Sdn. Bhd.	Malaysia	Property and management maintenance services	100	100	-	-
Tropicana City Management Sdn. Bhd.	Malaysia	Property management	100	100	-	-
Tropicana City Parking Sdn. Bhd.	Malaysia	Management of car parking facilities	100	100	-	-
Tropicana Kajang Hill Sdn. Bhd.	Malaysia	Property development	100	100	-	-
Daya Petaling Sdn. Bhd.	Malaysia	Property investment	100	100	-	-
Tropicana Danga Senibong Holding Sdn. Bhd. ("TDSHSB")	Malaysia	Property development and investment holding	100	100	-	-
<b>Subsidiary of TDSHSB:</b>						
Tropicana Danga Senibong Sdn. Bhd.	Malaysia	Property development	70	70	30	30
Sapphire Index Sdn. Bhd. ("SISB")	Malaysia	Property development	100	100	-	-
<b>Subsidiary of SISB:</b>						
Sapphire Step Sdn. Bhd.	Malaysia	Dormant	100	100	-	-
Tropicana Bukit Bintang Development Sdn. Bhd.	Malaysia	Property investment	100	100	-	-
Tropicana Coliseum (Ipoh) Sdn. Bhd.	Malaysia	Property investment	100	100	-	-
Tropicana Cheras Sdn. Bhd.	Malaysia	Property development	100	100	-	-

## 18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Details of the subsidiaries are as follows (cont'd.):

Name of subsidiaries	Country of incorporation	Principal activities	% of ownership interest held by the Group <sup>†</sup>		% of ownership interest held by non-controlling interests <sup>†</sup>	
			2015	2014	2015	2014
Tropicana Danga Bay Land Sdn. Bhd. ("TDBLSB")	Malaysia	Investment holding	100	100	-	-
<b>Subsidiary of TDBLSB:</b>						
Tropicana Danga Bay Sdn. Bhd. ("TDBSB")	Malaysia	Property development	60	60	40	40
<b>Subsidiary of TDBSB:</b>						
Tropicana Danga Bay Pte Ltd	Singapore	Promotions, marketing and other activities related to property development	100	100	-	-
Desiran Realiti Sdn. Bhd.	Malaysia	Dormant	100	100	-	-
Tropicana Danga Cove Holding Sdn. Bhd.	Malaysia	Investment holding	100	100	-	-
Tropicana Danga Lagoon Sdn. Bhd. ("TDLSB")	Malaysia	Property development and investment holding	80	80	20	20
<b>Subsidiary of TDLSB:</b>						
Tropicana Lagoon Sdn. Bhd.	Malaysia	Property development	100	100	-	-
Tropicana Residences Sdn. Bhd.	Malaysia	Property development and property investment	100	100	-	-
Tropicana Development (Johor Bahru) Sdn. Bhd.	Malaysia	Property development	100	100	-	-
Tropicana Development (Penang) Sdn. Bhd.	Malaysia	Investment holding	100	100	-	-
Tropicana Development (Sabah) Sdn. Bhd.	Malaysia	Property investment	100	100	-	-
Tropicana Golf & Country Resort Berhad ("TGCRB")	Malaysia	Real property and resort development	100	100	-	-
<b>Subsidiaries of TGCRB:</b>						
Tropicana Management Services Sdn. Bhd.	Malaysia	Property management and maintenance services	100	100	-	-
Tropicana Sungai Buloh Sdn. Bhd.	Malaysia	Property development	100	100	-	-
Tropicana Desa Mentari Sdn. Bhd.	Malaysia	Property development and property investment	100	100	-	-
Tropicana Harapan Sdn. Bhd.	Malaysia	Property development	100	100	-	-
Tropicana Jaya Sdn. Bhd.	Malaysia	Investment holding and property investment	100	100	-	-
Tropicana Kemayan Development Sdn. Bhd.	Malaysia	Investment holding	100	100	-	-
Tropicana Kia Peng Sdn. Bhd.	Malaysia	Dormant	100	100	-	-
Tropicana KK City Sdn. Bhd.	Malaysia	Property investment	100	100	-	-
Tropicana KL Development Sdn. Bhd.	Malaysia	Dormant	100	100	-	-
Tropicana Lahad Datu Development Sdn. Bhd.	Malaysia	Property investment	100	100	-	-

## 18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Details of the subsidiaries are as follows (cont'd.):

Name of subsidiaries	Country of incorporation	Principal activities	% of ownership interest held by the Group <sup>#</sup>		% of ownership interest held by non-controlling interests <sup>#</sup>	
			2015	2014	2015	2014
Tropicana Land Sdn. Bhd.	Malaysia	Property development	100	100	-	-
Tropicana Land (Sandakan) Sdn. Bhd.	Malaysia	Property investment	100	100	-	-
Tropicana Landmark Sdn. Bhd.	Malaysia	Property development	100	100	-	-
Tropicana Lido Development Sdn. Bhd.	Malaysia	Property investment	100	100	-	-
Tropicana Lintas Development Sdn. Bhd.	Malaysia	Property investment	100	100	-	-
Tropicana Macalister Avenue (Penang) Sdn. Bhd.	Malaysia	Property investment and property development	100	100	-	-
Tropicana Metro Sdn. Bhd.	Malaysia	Property investment	100	100	-	-
Tropicana Metropark Sdn. Bhd. ("TMSB")	Malaysia	Property development	100	100	-	-
<b>Subsidiary of TMSB:</b>						
Noble Kinetic Sdn. Bhd.	Malaysia	Dormant	100	100	-	-
Tropicana Mentari Development Sdn. Bhd.	Malaysia	Property development	100	100	-	-
Tropicana Plaza Sdn. Bhd.	Malaysia	Property investment	100	100	-	-
Tropicana Properties (Keningau) Sdn. Bhd.	Malaysia	Property investment	100	100	-	-
Tropicana Properties (Klang) Sdn. Bhd.	Malaysia	Property investment	100	100	-	-
Tropicana Properties (Puchong) Sdn. Bhd.	Malaysia	Property investment	100	100	-	-
Tropicana Properties (Sabah) Sdn. Bhd.	Malaysia	Property investment	100	100	-	-
Tropicana Properties (Sandakan) Sdn. Bhd.	Malaysia	Property investment	100	100	-	-
Tropicana Properties Ampang Sdn. Bhd.	Malaysia	Dormant	100	100	-	-
Tropicana Property Management Sdn. Bhd.	Malaysia	Property management and maintenance services	100	100	-	-
Tropicana Properties Odeon Sdn. Bhd.	Malaysia	Property investment	100	100	-	-
Tropicana Rahang Development Sdn. Bhd.	Malaysia	Investment holding	100	100	-	-
Tropicana Sadong Jaya Development Sdn. Bhd.	Malaysia	Property investment	100	100	-	-
Tropicana Senibong Sdn. Bhd.	Malaysia	Property investment	100	100	-	-
Tropicana Subang South Development Sdn. Bhd.	Malaysia	Property investment	100	100	-	-
Tropicana Tawau Development Sdn. Bhd.	Malaysia	Property investment	100	100	-	-
Tropicana Wisma TT Sdn. Bhd.	Malaysia	Property development and property investment	100	100	-	-
Tropicana Resort Holding Sdn. Bhd. (formerly known as Wisdom 88 Sdn. Bhd.) ("TRHSB")	Malaysia	Investment holding	100	100	-	-
<b>Subsidiary of TRHSB:</b>						
Tropicana Danga Bay Resort Sdn. Bhd. (formerly known as Rhythm Quest Sdn. Bhd.)	Malaysia	Property development	60	60	40	40
Tropicana Credit & Leasing Sdn. Bhd.	Malaysia	Credit and leasing	100	100	-	-
Terbit Berkas Sdn. Bhd.	Malaysia	Investment holding	100	100	-	-
Tropicana Building Materials Sdn. Bhd.	Malaysia	Trading	100	100	-	-



## 18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Details of the subsidiaries are as follows (cont'd.):

Name of subsidiaries	Country of incorporation	Principal activities	% of ownership interest held by the Group <sup>#</sup>		% of ownership interest held by non-controlling interests <sup>#</sup>	
			2015	2014	2015	2014
Tropicana SJII Education Management Sdn. Bhd.	Malaysia	Dormant	51	51	49	49
Tropicana Education Management Sdn. Bhd.	Malaysia	Investment holding	85	85	15	15
Tropicana Innovative Landscape Sdn. Bhd.	Malaysia	Landscaping	100	100	-	-
Supreme Converge Sdn. Bhd. ("SCSB")	Malaysia	Investment holding	100	100	-	-
Tropicana Collections (MM2H) Sdn. Bhd.	Malaysia	Dormant	100	100	-	-
Kuasa Cekapmas Sdn. Bhd. ("KCSB")	Malaysia	Dormant	100	100	-	-
<b>Subsidiary of KCSB:</b>						
Antara Tuah Sdn. Bhd.	Malaysia	Dormant	100	51	-	49
Tropicana Development (Sg. Besi) Sdn. Bhd.	Malaysia	Dormant	100	100	-	-
Tropicana Jalan Selangor Development Sdn. Bhd.	Malaysia	Dormant	100	100	-	-
Tropicana Corporate Solutions Sdn. Bhd. (formerly known as Tropicana Kepong Sdn. Bhd.)	Malaysia	Dormant	100	100	-	-
Ultimate Support Sdn. Bhd.	Malaysia	Dormant	100	100	-	-
Sumber Saujana Sdn. Bhd. ("SSSB")	Malaysia	Investment holding	100	100	-	-
<b>Subsidiary of SSSB:</b>						
Tropicana Saujana Sdn. Bhd. ("TSSB") (formerly known as Tropicana Tenaga Kimia Sdn. Bhd.)	Malaysia	Investment holding	100	100	-	-
<b>Subsidiary of TSSB:</b>						
Tenaga Kimia Sdn. Bhd.	Malaysia	Manufacturing	-	73	-	27
Tropicana Technology Sdn. Bhd. (formerly known as Master Converge Sdn. Bhd.)	Malaysia	Dormant	100	100	-	-
Tropicana Serdang Suria Sdn. Bhd.	Malaysia	Property development	100	100	-	-
Tropicana Holding (Hong Kong) Limited *	Hong Kong	Dormant	100	100	-	-
Tropicana Investment Consulting Pte. Ltd. *	People's Republic of China	Dormant	100	100	-	-

All subsidiaries are audited by Ernst & Young, Malaysia except as indicated below:

\* Audit by firms other than Ernst & Young

# equals to the proportion of voting rights held

## 18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Financial information of subsidiaries that have material non-controlling interests are provided below:

(i) Summarised statements of financial position

	Tropicana Indah Sdn. Bhd.		Tropicana Danga Bay Sdn. Bhd.	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Non-current assets	6,890	8,854	319,188	331,328
Current assets	478,624	324,464	277,041	327,028
Non-current liabilities	(77,691)	(5,000)	(69,189)	(101,940)
Current liabilities	(134,624)	(110,109)	(95,248)	(154,203)
Net assets	273,199	218,209	431,792	402,213
Equity attributable to equity holders of the Company	191,239	152,746	259,075	241,324
Non-controlling interest	81,960	65,463	172,717	160,889

	Tropicana Danga Lagoon Sdn. Bhd.		Tenaga Kimia Sdn. Bhd.	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Non-current assets	134,082	118,130	-	27,006
Current assets	6,123	7,125	-	114,791
Non-current liabilities	-	-	-	(68)
Current liabilities	(148,869)	(133,766)	-	(38,052)
Net (liabilities)/assets	(8,664)	(8,511)	-	103,677
Equity attributable to equity holders of the Company	(6,931)	(6,809)	-	75,684
Non-controlling interest	(1,733)	(1,702)	-	27,993

## 18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Financial information of subsidiaries that have material non-controlling interests are provided below (cont'd.):

(i) Summarised statements of financial position (cont'd.)

	Tropicana Danga Bay Resort Sdn. Bhd. (formerly known as Rhythm Quest Sdn. Bhd.)	
	2015 RM'000	2014 RM'000
Non-current assets	89,160	89,150
Current assets	3,960	3,824
Non-current liabilities	(34,789)	(45,202)
Current liabilities	(12,050)	(7,931)
Net assets	46,281	39,841
Equity attributable to equity holders of the Company	27,769	23,905
Non-controlling interest	18,512	15,936

(ii) Summarised statements of comprehensive income

	Tropicana Indah Sdn. Bhd.		Tropicana Danga Bay Sdn. Bhd.	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Revenue	264,311	192,749	84,978	366,923
Profit for the year	54,990	41,805	16,580	67,225
Profit attributable to equity holders of the Company	38,493	29,264	9,948	40,331
Profit attributable to non-controlling interests	16,497	12,541	6,632	26,890
Total comprehensive income	54,990	41,805	16,580	67,221
<i>Transactions with non-controlling interests</i>				
Share options granted under ESOS	-	475	-	245
Issuance of preference shares	-	-	6,664	32,603



## 18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Financial information of subsidiaries that have material non-controlling interests are provided below (cont'd.):

(ii) Summarised statements of comprehensive income (cont'd.)

	Tropicana Danga Lagoon Sdn. Bhd.		Tropicana Danga Bay Resort Sdn. Bhd. (formerly known as Rhythm Quest Sdn. Bhd.)	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Revenue	-	-	-	-
Loss for the year	(158)	(537)	(3,260)	(1,433)
Loss attributable to equity holders of the Company	(126)	(429)	(1,956)	(860)
Loss attributable to non-controlling interests	(32)	(108)	(1,304)	(573)
Total comprehensive expense	(158)	(537)	(3,260)	(1,433)
<i>Transactions with non-controlling interests</i>				
Issuance of preferences shares	-	-	2,416	16,312

## 18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Financial information of subsidiaries that have material non-controlling interests are provided below (cont'd.):

### (iii) Summarised statements of cash flows

	Tropicana Indah Sdn. Bhd.		Tropicana Danga Bay Sdn. Bhd.	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Net cash (used in)/generated from operating activities	(48,861)	(49,305)	39,747	169,630
Net cash (used in)/generated from investing activities	(233)	(1,807)	13,413	(49,095)
Net cash generated from/(used in) financing activities	64,265	4,010	(33,081)	(74,726)
Net increase/(decrease) in cash and cash equivalent	15,171	(47,102)	20,079	45,809
Cash and cash equivalents at the beginning of year	33,958	81,060	52,938	7,129
Cash and cash equivalents at the end of year	49,129	33,958	73,017	52,938

	Tropicana Danga Lagoon Sdn. Bhd.		Tropicana Danga Bay Resort Sdn. Bhd. (formerly known as Rhythm Quest Sdn. Bhd.)	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Net cash used in operating activities	(1,308)	(2,574)	(4,883)	(47,599)
Net cash (used in)/generated from investing activities	(12,983)	(5,858)	9,700	(3,650)
Net cash generated from/(used in) financing activities	14,324	8,463	(4,866)	51,422
Net increase/(decrease) in cash and cash equivalent	33	31	(49)	173
Cash and cash equivalents at the beginning of year	50	19	173	-
Cash and cash equivalents at the end of year	83	50	124	173

## 18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

### (a) Group restructuring

The following group restructuring took place during the financial year:

- (i) On 30 September 2015, Tropicana Mentari Development Sdn. Bhd. has exercised its Redemption Options to redeem 22,442,897 convertible unsecured loan stocks of RM1.00 each, satisfied by offsetting of debts due from the Company to Tropicana Mentari Development Sdn. Bhd..
- (ii) On 30 September 2015, Tropicana Subang South Development Sdn. Bhd. has exercised its Redemption Options to redeem 11,449,277 convertible unsecured loan stocks of RM1.00 each, satisfied by offsetting of debts due from the Company to Tropicana Subang South Development Sdn. Bhd..
- (iii) On 30 September 2015 and 31 December 2015, Tropicana Resort Holding Sdn. Bhd. (formerly known as Wisdom 88 Sdn. Bhd.), a wholly-owned subsidiary of the Company, had subscribed a total of 58,204,500 redeemable cumulative preference shares of RM0.01 each at a premium of RM0.09 each in Tropicana Danga Bay Resort Sdn. Bhd. (formerly known as Rhythm Quest Sdn. Bhd.), for a cash consideration of RM5,820,450.
- (iv) On 11 September 2015, the Company has injected additional working capital of RM582,000 in Tropicana Investment Consulting Pte. Ltd., a wholly-owned subsidiary.
- (v) On 2 July 2015, Tropicana Saujana Sdn. Bhd. ("TSSB") (formerly known as Tropicana Tenaga Kimia Sdn. Bhd.), a wholly-owned subsidiary of the Sumber Saujana Sdn. Bhd., which in turn was a wholly-owned subsidiary of the Company, disposed its entire shareholding of 23,360,000 in Tenaga Kimia Sdn. Bhd., representing 73% of its total issued and paid-up share capital, for cash consideration of RM194,667,667. Upon the disposal, TKS B ceased to be subsidiary of TSSB.
- (vi) On 30 June 2015, Kuasa Cekapmas Sdn. Bhd. ("KCSB"), wholly-owned subsidiary of the Company, acquired 100 ordinary shares of RM1.00 each representing 100% of the total issued and paid-up capital of Antara Tuah Sdn. Bhd. ("ATSB"), for cash consideration of RM100. Upon the acquisition by KCSB, ATSB has become a wholly-owned subsidiary of KCSB, which in turn is a wholly-owned subsidiary of the Company.
- (vii) On 31 May 2015, Tropicana Danga Bay Land Sdn. Bhd., a wholly-owned subsidiary of the Company, had subscribed 78,000,000 redeemable preference shares Series A of RM0.01 each at premium of RM0.09 in Tropicana Danga Bay Sdn. Bhd., for a cash consideration of RM7,800,000 each.
- (viii) On 31 March 2015, Star Honour Limited, a wholly-owned subsidiary of the Company, was dissolved.
- (ix) On 29 January 2015, the Company divested the 2 ordinary shares of RM1.00 each representing 100% of the total issued and paid-up share capital of Noble Kinetic Sdn. Bhd. ("NKSB") to Tropicana Metropark Sdn. Bhd. ("TMSB"), a wholly-owned subsidiary of the Company, for a total cash consideration of RM2.00. Upon the divestment, NKSB has become a wholly-owned subsidiary of TMSB, which in turn is a wholly-owned subsidiary of the Company.
- (x) On 19 January 2015, the Company acquired 49,998 ordinary shares of RM1.00 each representing 100% of the total issued and paid-up capital of Tropicana Collections (MM2H) Sdn. Bhd for a cash consideration of RM49,998.



## 18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

### (b) Disposal of a subsidiary

On 2 July 2015, Tropicana Saujana Sdn. Bhd. ("TSSB") (formerly known as Tropicana Tenaga Kimia Sdn. Bhd.), a wholly-owned subsidiary of the Sumber Saujana Sdn. Bhd., which in turn was a wholly-owned subsidiary of the Company, have completed the disposal of its entire shareholding of 23,360,000 in Tenaga Kimia Sdn. Bhd. ("TKSB"), representing 73% of its total issued and paid-up share capital, for cash a consideration of RM194,667,667. The disposal was not a discontinued operation or classified as held for sale as at 31 December 2014 and the comparative statement of comprehensive income has been re-presented to show the discontinued operation separately from continuing operations. The management was committed to a plan to sell TKS B in 2015 due to the strategic decision to place greater focus on the Group's core operations.

Profit attributable to the discontinued operation was as follows:

#### Results of discontinued operation

	2015 RM'000	2014 RM'000
Revenue	98,990	213,513
Expenses	(84,904)	(178,534)
Share of profits in joint ventures	1,672	3,865
Share of (losses)/profit in associates	(17)	993
<b>Results from operating activities</b>	15,741	39,837
Gain on sale of discontinued operation	27,531	-
<b>Profit before tax</b>	43,272	39,837
Tax expense (Note 12)	(3,595)	(8,338)
<b>Profit for the the year from discontinued operation</b>	39,677	31,499

In addition to the amounts disclosed in Note 9, the following have been included in arriving at results from operating activities

	2015 RM'000	2014 RM'000
Depreciation of property, plant and equipment	1,329	4,372
Interest income	53	-
Finance expense	336	281

Net profit after tax from discontinued operation of RM7,210,000 (2014: RM20,294,000) is attributable to the owners of the Company.

## 18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

### (b) Disposal of a subsidiary (cont'd)

#### Cash flows from/(used in) discontinued operation

	2015 RM'000	2014 RM'000
Net cash used in operating activities	12,098	11,087
Net cash from investment activities	(1,329)	(209)
Net cash from financing activities	4,235	(13,751)
Effect on cash flows	15,004	(2,873)

#### Effect of disposal on the financial position of the Group

	2015 RM'000
Property, plant and equipment (Note 15)	9,803
Investment in joint ventures	14,282
Investment in associates	2,739
Deferred tax assets (Note 34)	1,670
Inventories	36,109
Trade and other receivables	73,461
Cash at banks	27,381
Borrowings	(10,411)
Trade payables and other payables	(26,676)
Provision for liabilities (Note 33)	(66)
Tax payable	(74)
Non-controlling interest	(18,885)
Translation reserves	(2,000)
Net assets and liabilities of TKSB	107,333
Add: Goodwill recognised in Group (Note 23)	59,803
<b>Total net assets and liabilities disposed</b>	<b>167,136</b>
Gain on sale of discontinued operation	27,531
Consideration received, satisfied in cash	194,667
Cash at banks disposed of	(27,381)
<b>Net cash inflows</b>	<b>167,286</b>

## 19. INTERESTS IN ASSOCIATES

	Group	
	2015 RM'000	2014 RM'000
In Malaysia:		
Unquoted shares at cost	-	404
Share of post-acquisition reserve	-	2,352
Amount due from an associate	100,102	-
	100,102	2,756
Represented by:		
Share of net assets	100,102	2,756

The amount due from an associate representing advances to an associate of which the settlement is not expected to occur within the next 12 months, is unsecured and non-interest bearing. The Group views this advances as part of the Group's investment in the associate.

Details of the associates are as follows:

Name of associates	Country of incorporation	Principal activities	Equity Interest Held (%)	
			2015	2014
First Asiatic Enterprise Holdings, Inc	Philippines	Investment holding company	-	40
MT. Rock Powder Corporation	Philippines	Trading of chemical and other related products	-	40
Agile Tropicana Development Sdn. Bhd.	Malaysia	Property development	30	30

All the associates have been accounted for using the equity method of accounting.

First Asiatic Enterprise Holdings, Inc and MT. Rock Powder Corporation were the associates of Tenaga Kimia Sdn. Bhd. ("TKSB"). During the financial year, the Group has disposed TKSB as disclosed in Note 18(b). Accordingly, First Asiatic Enterprise Holdings, Inc and MT. Rock Powder Corporation have ceased to be associates of the Group.



## 19. INTERESTS IN ASSOCIATES (CONT'D.)

In the previous financial year, Supreme Converge Sdn. Bhd. ("SCSB"), a wholly-owned subsidiary of the Company, had entered into a Subscription and Shareholders' Agreement with Agile Real Estate Development (M) Sdn. Bhd. ("Agile"), a wholly-owned subsidiary of Agile Property Holdings Limited ("APH") ("SSA"). SCSB and Agile had pursuant to the SSA subscribed for shares in an associate known as Agile Tropicana Development Sdn. Bhd. ("ATD") where SCSB's and Agile's equity interest in the ATD is 30% and 70% respectively.

Aggregate information of associates that are not individually material are as follows:

	Group	
	2015 RM'000	2014 RM'000
The Group's share of (loss)/profit before tax	(35)	993
The Group's share of total comprehensive income	(35)	993

## 20. INVESTMENTS IN JOINT VENTURES

	Group	
	2015 RM'000	2014 RM'000
In Malaysia:		
Unquoted shares at cost	235,100	167,272
Share of post-acquisition reserve	103,690	97,138
	338,790	264,410
Represented by:		
Share of net assets	338,790	264,410

Details of the joint ventures are as follows:

Name of associates	Country of incorporation	Principal activities	Equity Interest Held (%)	
			2015	2014
Tropicana Ivory Sdn. Bhd. ("TIVSB")	Malaysia	Property development	55	55
<b>Subsidiaries of TIVSB:</b>				
Tropicana Ivory Realty Sdn. Bhd.	Malaysia	Property investment	100	100
Tropicana Danga Cove Sdn. Bhd. ("TDCSB")	Malaysia	Property development	50	50
Tenaga Kimia-Ensign Bickford Sdn. Bhd ("TKEBSB")	Malaysia	Manufacturing and trading of non-electric explosives	-	50

## 20. INVESTMENTS IN JOINT VENTURES (CONT'D.)

All the joint ventures are using equity accounting method.

During the financial year,

- (i) TIVSB issued 94,987,000 of redeemable non-cumulative preference shares ("RPS") with a nominal value of RM0.01 each at a premium of RM0.99 per RPS. The Group subscribed for 55% of the RPS for a cash consideration of RM52,242,960; and
- (ii) TDCSB issued 360,000,000 of redeemable preference shares series A ("RPS-A") of RM0.01 each at a premium of RM0.09 each. The Group subscribed for 50% of the RPS-A for a cash consideration of RM18,000,000.

TKEBSB is a joint venture of Tenaga Kimia Sdn. Bhd. ("TKSB"). During the financial year, the Group disposed TKSB as disclosed in Note 18(b). Accordingly, TKEBSB has ceased to be a joint venture of the Group.

- (a) Summarised financial information in respect of each of the Group's material joint ventures is set out below. The summarised financial information represents the amounts in the financial statements of the joint ventures and not the Group's share of those amounts.

- (i) Summarised statements of financial position

	Tropicana Ivory Sdn. Bhd.		Tropicana Danga Cove Sdn. Bhd.	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Non-current assets	7,108	8,251	499,166	501,879
Current assets	809,908	492,835	85,829	87,568
Non-current liabilities	(470,670)	(302,967)	(118,025)	(229,076)
Current liabilities	(62,976)	(22,180)	(101,099)	(52,234)
Net assets	283,370	175,939	365,871	308,137

- (ii) Summarised statements of comprehensive income

	Tropicana Ivory Sdn. Bhd.		Tropicana Danga Cove Sdn. Bhd.	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Revenue	148,171	151,090	68,526	74,163
Profit before tax	18,433	24,777	29,726	7,155
Total comprehensive income	12,444	17,803	22,200	3,400

## 20. INVESTMENTS IN JOINT VENTURES (CONT'D.)

(a) Summarised financial information in respect of each of the Group's material joint ventures is set out below. The summarised financial information represents the amounts in the financial statements of the joint ventures and not the Group's share of those amounts. (cont'd.)

(iii) Reconciliation of the summarised financial information presented above to the carrying amount of the Group's interest in joint ventures:

	Tropicana Ivory Sdn. Bhd.		Tropicana Danga Cove Sdn. Bhd.	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Net assets as at 1 January	175,939	93,913	308,137	245,137
Profit for the year	12,444	17,803	22,200	3,400
Intra group eliminations	-	-	(466)	(594)
Net assets as at 31 December	188,383	111,716	329,871	247,943
Issuance of preference shares	94,987	64,223	36,000	60,194
	283,370	175,939	365,871	308,137
Interest in joint ventures	55%	55%	50%	50%
Carrying value of Group's interest in joint ventures	155,854	96,766	182,936	154,069

(iv) Share of capital commitment

	Tropicana Ivory Sdn. Bhd.		Tropicana Danga Cove Sdn. Bhd.	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Approved and contracted for: Acquisition of land	221,650	348,000	-	3,400

(b) Aggregate information of joint ventures that are not individually material are as follows:

	Group	
	2015	2014
	RM'000	RM'000
The Group's share of profit after tax	1,672	3,865
The Group's share of total comprehensive income	1,672	3,865



## 21. OTHER INVESTMENTS

	Group and Company	
	2015	2014
	RM'000	RM'000
<b>At FVTPL:</b>		
Transferable corporate golf club membership	312	312

## 22. SECURITY RETAINERS ACCUMULATION FUND

	Group	
	2015	2014
	RM'000	RM'000
At 1 January	4,050	3,837
Unrealised returns (Note 9)	231	224
	4,281	4,061
Less: Amortisation for the year (Note 9)	(11)	(11)
At 31 December	4,270	4,050

The security retainers accumulation fund of the golf and country resort of the Group relates to the unamortised portion of the single premium paid for the purchase of a 'Group Endowment with Profits' policy from a local insurer in 1994 and the unrealised returns which accrues to this policy on a cumulative basis, annually.

The total accumulated returns together with the insured sum will only be received upon maturity of the said policy on 2 October 2051. The purpose of this scheme is to provide the Group with funds to repay the security retainers received from members of the golf and country resort of the Group, who were registered prior to January 1993, at the end of their membership license term on 9 October 2051.

### 23. INTANGIBLE ASSETS

	<b>Group</b>	
	<b>2015</b>	<b>2014</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Goodwill on consolidation</b>		
<b>Cost</b>		
At 1 January	84,447	84,447
Written off arising from:		
Disposal of assets (Note 9)	(6,474)	-
Disposal of a subsidiary (Note 18(b))	(59,803)	-
<b>At 31 December</b>	<b>18,170</b>	<b>84,447</b>
<b>Accumulated impairment</b>		
At 1 January	(4,069)	(4,069)
Impairment during the financial year (Note 9)	(10,662)	-
<b>At 31 December</b>	<b>(14,731)</b>	<b>(4,069)</b>
<b>Net carrying amount</b>	<b>3,439</b>	<b>80,378</b>

Goodwill has been allocated to the Group's CGUs identified according to business segments as follows:

	<b>Group</b>	
	<b>2015</b>	<b>2014</b>
	<b>RM'000</b>	<b>RM'000</b>
Manufacturing	-	59,803
Investment holding	23	16,714
Property development	3,416	3,861
	<b>3,439</b>	<b>80,378</b>

## 23. INTANGIBLE ASSETS (CONT'D.)

### (a) Key assumptions used in value-in-use calculations

The recoverable amounts of the CGUs have been determined based on a value-in-use calculations using cash flow projections based on financial budgets approved by management.

The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill.

#### (i) Budgeted gross margin

The basis used to determine the value assigned to the budgeted gross margin is the average rate achieved in the year immediately before the budgeted year increased for expected efficiency improvements.

#### (ii) Pre-tax discount rate

The discount rates used are pre-tax ranging from 10% to 12% and reflect specific risks relating to the relevant segments.

### (b) Sensitivity to changes in assumptions

With regard to the assessment of value-in-use of the CGUs, management believes that no reasonably possible change in any of the above key assumptions would cause the carrying values of the unit to materially differ from its recoverable amount.

## 24. INVENTORIES

	Group	
	2015 RM'000	2014 RM'000
<b>At cost</b>		
<b>Property development and recreation</b>		
Properties held for sale	39,364	27,125
Consumable stores and spares	991	971
	40,355	28,096
<b>Manufacturing</b>		
Raw material, explosive	-	12,382
Finished goods, explosive	-	11,077
Working in progress, explosive	-	750
	-	24,209
	40,355	52,305

The Group's cost of inventories recognised as an expense during the year in the Group amounted to RM66,765,000 (2014: RM188,608,000).



## 25. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
<b>Non-current</b>				
<b>Other receivables</b>				
Sundry receivables	4,130	-	-	-
Government grants	16,565	5,967	-	-
Amount due from a subsidiary	-	-	40,213	-
	20,695	5,967	40,213	-
<b>Current</b>				
<b>Trade receivables</b>				
Third parties	186,700	693,105	-	-
Less: Allowance for impairment	(4,356)	(4,311)	-	-
Trade receivables, net	182,344	688,794	-	-
<b>Other receivables</b>				
Sundry receivables	88,597	49,810	9,704	9,412
Deposits	19,301	63,550	163	156
Amounts due from subsidiaries	-	-	1,943,888	1,571,209
Amounts due from associates	-	15,379	-	-
Amounts due from joint ventures	716	-	716	-
Less: Allowance for impairment				
- Sundry receivables	(8,999)	(8,999)	(9,953)	(8,806)
- Amount due from subsidiaries	-	-	(104,582)	(107,466)
	99,615	119,740	1,839,936	1,464,505
	281,959	808,534	1,839,936	1,464,505

### (a) Trade receivables

The Group's normal trade credit term ranges from 14 to 180 days (2014: 14 to 180 days). Other credit terms are assessed and approved on a case-to-case basis. Trade receivables are non-interest bearing and are recognised at their original invoice amounts which represent their fair values on initial recognition.

The Group has no significant concentration of credit risk that may arise from exposures to a single debtor or to groups of debtors.

## 25. TRADE AND OTHER RECEIVABLES (CONT'D.)

### (a) Trade receivables (cont'd.)

#### Ageing analysis of trade receivables

The ageing analysis of the Group's trade receivables is as follows:

	Group	
	2015	2014
	RM'000	RM'000
Neither past due nor impaired	83,423	543,595
1 to 30 days past due but not impaired	34,727	35,265
31 to 60 days past due but not impaired	16,713	18,942
61 to 90 days past due but not impaired	7,426	14,886
91 to 120 days past due but not impaired	8,260	10,325
More than 121 days past due but not impaired	31,795	65,781
Total past due but not impaired	98,921	145,199
Impaired	4,356	4,311
	186,700	693,105

#### Receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group.

None of the Group's trade receivables that are neither past due nor impaired have been renegotiated during the financial year.

#### Receivables that are past due but not impaired

The receivables that are past due but not impaired are unsecured in nature. However, the directors are of the opinion that these debts should be realised in full without material losses in the ordinary course of business.

## 25. TRADE AND OTHER RECEIVABLES (CONT'D.)

### (a) Trade receivables (cont'd.)

#### Receivables that are impaired

The Group's trade receivables that are individually impaired at the reporting date and the movement of the allowance accounts used to record the impairment are as follows:

	Group	
	Individually impaired	
	2015	2014
	RM'000	RM'000
Trade receivables - nominal amount	4,356	4,311
Less: Allowance for impairment	(4,356)	(4,311)
	-	-

Movement in the allowance accounts:

	Group	
	Individually impaired	
	2015	2014
	RM'000	RM'000
At 1 January	4,311	3,772
Charge for the year	450	748
Reversal for the year	-	(209)
Disposal of a subsidiary	(405)	-
At 31 December	4,356	4,311

Trade receivables that are individually determined to be impaired at the reporting date relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

### (b) Other receivables (Current)

The amounts due from subsidiaries of the Company amounted to RM343,133,000 (2014: RM569,927,000) bore interest of 5% (2014: 5%) per annum during the financial year. The balance of the amount are non-trade in nature, unsecured, interest free and have no fixed terms of repayment except for these amounts classified as non-current which are not expected to be repaid within the foreseeable future. Further details on related party transactions are disclosed in Note 41.

The amounts due from associates and joint ventures are non-trade in nature, unsecured, interest free and have no fixed terms of repayment.



## 25. TRADE AND OTHER RECEIVABLES (CONT'D.)

### (b) Other receivables (current) (cont'd.)

Included in deposit are deposits paid for the acquisition of land and building amounting RM4,180,000 (2014: RM49,506,000) as disclosed in Note 49.

The Group has no significant concentration of credit risk included under sundry receivables that may arise from exposures to a single debtor or to groups of debtors except for debts due from subsidiaries.

#### Other receivables that are impaired

Movement in the allowance accounts:

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
At 1 January	8,999	9,066	116,272	144,090
Charge for the year	-	-	4,127	6,713
Reversal for the year	-	(67)	(5,864)	(34,531)
At 31 December	8,999	8,999	114,535	116,272

### (c) Other receivables (Non-current)

#### *Government grant*

In the previous financial year, a subsidiary of the Group had received a Government grant from the Government of Malaysia ("The Government") for its property development project ("the Project"). There were no unfulfilled conditions or contingencies attached to these grants.

The grant is in relation to provision of financial assistance for an amount not exceeding RM106,800,000 or an amount equivalent to ten percent (10%) of the actual construction costs of a project development ("Project"), whichever is lower to facilitate the Project. The grant will be disbursed upon the completion of the entire of the said Project by 31 December 2019.

The carrying amount of the grant as at 31 December 2015 was RM16,565,000 ( 2014: RM5,967,000)

## 26. OTHER CURRENT ASSETS

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Prepayments	7,527	14,450	3,091	3,639
Accrued billings in respect of property development costs	449,810	486,203	-	-
Amount due from contract customers (i)	7,453	4,831	-	-
	464,790	505,484	3,091	3,639

## 26. OTHER CURRENT ASSETS (CONT'D.)

### (i) Amount due from contract customers

	Group	
	2015	2014
	RM'000	RM'000
Aggregate cost incurred to date	28,769	15,828
Attributable profits	8,793	6,419
	37,562	22,247
Less: Progress billings	(30,109)	(17,416)
Amount due from contract customers	7,453	4,831

## 27. CASH AND CASH EQUIVALENTS

	Group		Company	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Deposits with licensed banks	312,133	88,091	260,131	44,873
Cash on hand and at banks	525,360	364,536	16,924	93,467
Cash and bank balances	837,493	452,627	277,055	138,340

### For the purpose of statements of cash flows:

	Group		Company	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Cash and bank balances	837,493	452,627	277,055	138,340
Less:				
- Cash and cash equivalents not available for use	(271,040)	(51,638)	(259,846)	(43,364)
- Bank overdrafts (Note 38)	(1,006)	(10,383)	-	-
Total cash and cash equivalents	565,447	390,606	17,209	94,976

The interest rates for the deposits with licensed banks range from 2.95% to 3.96% (2014: 2.75% to 3.45%) per annum and the maturities of deposits as at the end of the financial year range from 1 to 90 days (2014: 1 to 90 days).

Included in cash at banks of the Group are amounts of RM310,973,000 (2014: RM165,164,000) held pursuant to Section 7A of the Housing Development (Control and Licensing) Act, 1966 and therefore restricted from use in other operations.

Included in deposits with licensed banks of the Group are:

- (i) Deposits held in trust by a trustee of RM244,530,000 (2014: RM45,289,000 representing cash and cash equivalents not available for use; and
- (ii) Deposits amounting to RM26,510,000 (2014: RM6,349,000) which are pledged as security for bank guarantees granted to the Group.

## 28. ASSETS CLASSIFIED AS HELD FOR SALE

	Group	
	2015	2014
	RM'000	RM'000
At 1 January	823,408	103,979
Additions	41,132	-
Reclassified from property, plant and equipment (Note 15)	50,740	36,177
Reclassified from investment properties (Note 17)	130,000	787,231
Disposals	(864,540)	(103,979)
At 31 December	180,740	823,408

Included in assets classified as held for sale are assets pledged as securities for bank borrowings as disclosed in Note 38 with carrying amounts of RM180,740,000 (2014: RM823,408,000).

The assets classified as held for sale as at 31 December 2015 comprised the following:

- (i) On 12 January 2016, Advent Nexus Sdn. Bhd., a wholly-owned subsidiary, entered into a sale and purchase agreement to dispose a 10-storey building in Kuala Lumpur for a cash consideration of RM55,000,000.
- (ii) On 28 January 2016, Tropicana Plaza Sdn. Bhd., a wholly-owned subsidiary, entered into a sale and purchase agreement to dispose a 19-storey building with 2 levels of basement car park in Kuala Lumpur for a cash consideration of RM140,000,000.

## 29. SHARE CAPITAL AND SHARE PREMIUM

	Number of ordinary shares of RM1 each	
	2015	2014
	'000	'000
<b>Authorised:</b>		
At 1 January/31 December	3,000,000	3,000,000



29. SHARE CAPITAL AND SHARE PREMIUM (CONT'D.)

Group and Company	Amount									
	Number of ordinary shares									
	Share capital (Issued and fully paid)		Share capital		Treasury Shares		Treasury Shares		Share premium	
	2015 '000	2014 '000	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
<b>Issued and fully paid:</b>										
At 1 January	1,396,268	1,107,281	1,396,268	1,107,281	(42,779)	(42,779)			568,388	488,122
Ordinary shares pursuant to:										
- ESOS	344	10,987	344	10,987	-	-	-	-	-	1,017
- Warrant 2009/2019	-	-*	-	-*	-	-	-	-	-	-
- RCULS	50,854	278,000	50,854	278,000	-	-	-	-	25,612	75,983
Purchase of treasury shares	-	-	-	-	(7,350)	-	-	-	-	-
Share dividends	-	-	-	-	34,631	-	-	-	(16,112)	-
Effects pursuant to ESOS on:										
- conversion	-	-	-	-	-	-	-	-	96	3,266
At 31 December	1,447,466	1,396,268	1,447,466	1,396,268	(15,498)	(42,779)	577,984	568,388		

\* In the previous financial year, the Company had issued 116 ordinary shares pursuant to exercise of Warrant 2009/2019 for cash consideration of RM116.

## 29. SHARE CAPITAL AND SHARE PREMIUM (CONT'D.)

The Company increased its issued and paid-up share capital from RM1,396,268,338 to RM1,447,466,428 by way of the issuance of:

- (i) 50,854,290 ordinary shares of RM1.00 each pursuant to the conversion of RM76,281,435 nominal value Redeemable Convertible Unsecured Loan Stock converted at RM1.50 per ordinary share; and
- (ii) 343,800 ordinary shares of RM1.00 each for cash pursuant to the exercise of share options exercised under the Company's Employee Share Option Scheme at an average exercise price of RM1.00 per ordinary share.

The new ordinary shares issued during the financial year ranked pari passu in all respects with the existing ordinary shares of the Company.

### (a) Treasury shares

During the financial year, the Company:

- (i) repurchased 7,716,600 (2014: Nil) of its issued ordinary shares from the open market at an average price of RM0.95 per share. The shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965.
- (ii) declared a first single-tier Share Dividend via a distribution of 18,519,605 Treasury Shares on the on the basis of 1.3 treasury shares for every 100 existing ordinary shares of RM1.00 each held in the Company. The Treasury Shares were repurchased at an average price of RM1.87 per share.

As at reporting date, the number of treasury shares held are 12,013,835 ordinary shares of RM1.00 each.

## 30. OTHER RESERVES

### (a) Foreign currency translation reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

### (b) Share options reserve ("ESOS")

Employee share option reserve represents the equity-settled share options granted to employees (Note 32). The reserve is made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of equity-settled share options, and is reduced by the expiry or exercise of the share options. The ESOS has expired on 20 September 2015.

### 30. OTHER RESERVES (CONT'D.)

#### (b) Share options reserve ("ESOS") (cont'd.)

	Group and Company Nominal amount	
	2015 RM'000	2014 RM'000
At 1 January	20,186	6,772
Effects pursuant to ESOS on:		
- exercise	(96)	(3,266)
- grant	-	18,217
- forfeiture	(2,055)	(1,537)
- expired	(18,035)	-
At 31 December	-	20,186

#### (c) Warrants 2009/2019 reserve

On 9 December 2009, the Company had issued 129,812,791 free detachable Warrants 2009/2019. The Warrants are constituted by the Deed Poll dated 28 October 2009.

On 18 October 2013, the Company had issued additional 30,894,707 Warrants 2009/2019 pursuant to the adjustment to the Warrants 2009/2019 as a results of the Rights Issue with Bonus Shares.

The main features of the Warrants are as follows:

- (i) each Warrant entitles the holder to subscribe for 1 new ordinary share of RM1.00 each in Tropicana at a price of RM1.00 per share;
- (ii) the Warrants may be exercised at any time up to 9 December 2019; and
- (iii) the shares arising from the exercise of Warrants shall rank pari passu in all respect with the existing ordinary shares of the Company, save and except that the new shares shall not be entitled to any dividends, rights, allotments and/or other distributions, the entitlement date of which is prior to the allotment date of the new shares.

As at reporting date, 153,557,696 (2014: 153,557,696) free detachable Warrants 2009/2019 remain unexercised.



### 30. OTHER RESERVES (CONT'D.)

#### (d) RCULS reserve 2012/2022

The amount recognised in the statements of financial position as at 31 December 2015 may be analysed as follows:

	Group and Company Nominal amount	
	2015 RM'000	2014 RM'000
<b>Nominal value - Issued and fully paid</b>		
At 1 January	76,281	437,681
Redemption during the year	(76,281)	(361,400)
At 31 December	-	76,281

The salient features of the RCULS issued by the Company are as follows:

- (i) The RCULS are redeemable at any time at the option of the issuer. They are convertible at any time at the option of the RCULS holders with the following conversion price:

Years	Conversion Price RM
1 - 2	1.3
3 - 5	1.5
6 - 8	1.8
9 - 10	2.5

- (ii) The RCULS carry a coupon rate of 3% p.a.
- (iii) The RCULS are mandatory to be converted to Company's shares in year 10.

The RCULS with a nominal value of RM684,681,000 are unsecured and are repayable in 10 equal annual instalments commencing on 1 February 2013.

### 30. OTHER RESERVES (CONT'D.)

#### (d) RCULS reserve 2012/2022 (cont'd.)

The carrying amount of the liability component of RCULS at the reporting date is arrived at as follows:

	Group and Company	
	2015 RM'000	2014 RM'000
Face value of RCULS	-	76,281
Equity component, net of deferred tax	-	(66,227)
Deferred tax asset	-	3,650
Loss on redemption	10,422	10,370
Liability component of RCULS at initial recognition	10,422	24,074
Liability component	10,422	24,074
Interest expense recognised in profit or loss:		
At 1 January	14,597	12,061
Recognised during the year	187	2,536
At 31 December	14,784	14,597
Interest paid:		
At 1 January	(24,065)	(16,825)
Paid during the year	(1,141)	(7,240)
At 31 December	(25,206)	(24,065)
Liability component at 31 December (Note 38)	-	14,606

#### (e) Retained earnings

The entire retained earnings is available for distribution as single tier dividends.

### 31. SINKING FUND

	Group	
	2015 RM'000	2014 RM'000
At 1 January	1,993	1,005
Additions	1,224	1,048
Claims made during the financial year	-	(60)
At 31 December	3,217	1,993

Sinking fund of the Group is established for the purpose of covering costs of periodic major repairs or capital replacements in the golf and country resort of the Group. A fraction of 10% of monthly subscription fees received from members during the year are credited to this reserve.

### 32. EMPLOYEE SHARE OPTION SCHEME (“ESOS”)

The Tropicana’s Employee Share Option Scheme (“ESOS”) was implemented on 21 September 2005 and is governed by the Bye-Laws approved by the shareholders at the Extraordinary General Meeting (“EGM”) held on 24 June 2005 which was subsequently amended by the shareholders at the EGM held on 3 October 2011 and at the Annual General Meeting held on 26 June 2014. The ESOS has expired on 20 September 2015.

The salient terms of the ESOS are as follows:

- (i) The Option Committee has the full discretion in determining the eligibility of employees of the Group to participate in the ESOS provided that they are at the date of offer at least eighteen years of age and are employed by the Group for those holding job grades below the level of Senior Managers and have served at least one continuous year with the Group, and for those holding job grades of Senior Managers and above, regardless of the length of service with the Group and have been confirmed their positions in writing.
- (ii) The ESOS shall be in force for a period of 10 years from 21 September 2005 to 20 September 2015.
- (iii) The total number of shares to be issued under the ESOS shall not exceed in aggregate 10% of the issued share capital of the Company at any point of time during the tenure of the ESOS. In addition, not more than 10% of the shares available under the ESOS shall be allocated to any individual eligible director and/ or eligible employee who, either singly or collectively through person connected to them, holds 20% or more in the issued and paid-up capital of the Company (excluding treasury share, if any).
- (iv) No options shall be granted for less than 1,000 shares or more than the maximum allowable allotment of shares.
- (v) The options granted on 16 June 2007 and 13 April 2010 shall become exercisable to the extent of one-fourth of the shares granted on the grant date and subsequently on each of the first three anniversaries from the date of grant provided that the option holder is in the employment of the Group from the Date of Offer to the Date of Expiry. The options granted on 10 October 2011 shall be vested over the next four years with allocation of 30%:20%:20%:30% each year. The option granted on 22 January 2013 and 7 March 2013 shall be vested over the next three years with allocation of 30%:30%:40% each year. The option granted on 6 March 2014 and 2 May 2014 shall be vested over the next two years with allocation of 30%:70% each year.
- (vi) The option price for each share shall be the weighted average of the share market price as quoted in the Daily Official List issued by Bursa Malaysia Securities Berhad, with a discount that does not exceed 10% or such other percentage of discount as may be permitted by Bursa Malaysia Securities Berhad or any other relevant authorities from time to time during the period of ESOS or at the par value of the shares of RM1 each, whichever is higher.
- (vii) An offer made by the Option Committee shall be valid for a period of forty-five days from the date of offer and may be accepted within this prescribed period by the eligible director or employee to whom the offer is made by written notice to the Option Committee of such acceptance accompanied by a payment to the Company of a nominal non-refundable sum of RM1.00 as consideration for the grant of the option. If the offer is not accepted in the manner aforesaid, such offer shall upon the expiry of the said forty-five days automatically lapse and be null and void and of no further force and effect.
- (viii) All new ordinary shares issued upon exercise of the options granted under the ESOS will rank pari passu in all respects with the then existing ordinary shares of the Company except that they will not be entitled to any dividend declared prior to the date of allotment.



### 32. EMPLOYEE SHARE OPTION SCHEME (“ESOS”) (CONT’D.)

#### Movement of share options during the financial year

The following table illustrates the number (“No.”) and weighted average exercise prices (“WAEP”) of, and movements in, share options during the financial year:

	Group			
	2015		2014	
	No.	WAEP (RM)	No.	WAEP (RM)
Outstanding at 1 January	67,410,173	-	43,959,685	-
- Granted	-	-	32,750,000	1.22
- Granted	-	-	7,800,000	1.32
- Granted	-	-	1,000,000	1.40
- Exercised	(343,800)	1.00	(7,153,468)	1.00
- Exercised	-	-	(2,100,000)	1.22
- Exercised	-	-	(1,733,400)	1.32
- Forfeited	(1,536,619)	1.00	(2,750,744)	1.00
- Forfeited	(4,342,700)	1.32	(4,361,900)	1.32
- Expired	(19,528,954)	1.00	-	-
- Expired	(10,008,100)	1.32	-	-
- Expired	(30,650,000)	1.22	-	-
- Expired	(1,000,000)	1.40	-	-
Outstanding at 31 December	-	-	67,410,173	-
Exercisable at 31 December				
2014	-	-	21,409,373	1.00
2014	-	-	30,650,000	1.22
2014	-	-	14,350,800	1.32
2014	-	-	1,000,000	1.40

The fair value of share options granted on 6 March 2014 and 2 May 2014 was estimated by using a Black-Scholes model, taking into account the terms and conditions upon which the options were granted. The fair value of share options measured at grant date and the assumptions are as follows:

	2015	2014
Fair values of share options as at reporting date (RM):	-	0.23-0.24
Weighted average share price	-	1.36-1.54
Weighted average exercise price	-	1.22-1.40
Expected volatility (%)	-	28% - 29%
Expected life (years)	-	2
Risk free rate (%)	-	3.53%

### 32. EMPLOYEE SHARE OPTIONS SCHEME ("ESOS") (CONT'D.)

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of the option grant were incorporated into the measurement of fair value.

### 33. PROVISION FOR LIABILITIES

Group	Shortfall for bumi quota RM'000	Stamp duty on memorandum of transfer RM'000	Low cost housing RM'000	Others RM'000	Total RM'000
<b>Non-current</b>					
At 1 January 2015	37,513	7,064	-	66	44,643
Additions	38,608	-	218,252	-	256,860
Utilisation of provision	(342)	-	-	-	(342)
Reversal	(2,450)	-	-	-	(2,450)
Disposal of a subsidiary	-	-	-	(68)	(68)
At 31 December 2015	73,329	7,064	218,252	(2)	298,643
At 1 January 2014	41,322	-	-	66	41,388
Additions	7,701	7,064	-	-	14,765
Utilisation of provision	(11,510)	-	-	-	(11,510)
At 31 December 2014	37,513	7,064	-	66	44,643

### 34. DEFERRED TAX LIABILITIES/(ASSETS)

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
At 1 January	82,590	69,691	(3,651)	(22,011)
Recognised in profit or loss (Note 12)	(47,687)	(4,285)	238	1,176
Recognised in equity	3,413	17,184	3,413	17,184
Disposal of a subsidiary	1,670	-	-	-
At 31 December	39,986	82,590	-	(3,651)

### 34. DEFERRED TAX LIABILITIES/(ASSETS) (CONT'D.)

Group	Accelerated capital allowances RM'000	Fair value adjustment on business combination RM'000	Fair value changes to investment properties RM'000	Others RM'000	Total RM'000
<b>Deferred tax liabilities:</b>					
At 1 January 2015	34,197	54,173	22,026	10,803	121,199
Recognised in profit or loss	(22,089)	(1,290)	(17,311)	5,794	(34,896)
Disposal of a subsidiary	1,670	-	-	-	1,670
At 31 December 2015	13,778	52,883	4,715	16,597	87,973
At 1 January 2014	29,602	54,173	25,605	11,186	120,566
Recognised in profit or loss	4,595	-	(3,579)	(383)	633
At 31 December 2014	34,197	54,173	22,026	10,803	121,199

Deferred income tax as at 31 December relates to the following:

Group	Provision for liabilities RM'000	RCULS 2012/2022 RM'000	Unused tax losses and unabsorbed capital allowances RM'000	Unrealised profit from transaction with an associate RM'000	Others RM'000	Total RM'000
<b>Deferred tax assets:</b>						
At 1 January 2015	(7,616)	(3,651)	(24,356)	-	(2,986)	(38,609)
Recognised in profit or loss	(1,923)	238	1,526	(14,346)	1,714	(12,791)
Recognised in equity	-	3,413	-	-	-	3,413
At 31 December 2015	(9,539)	-	(22,830)	(14,346)	(1,272)	(47,987)
At 1 January 2014	(7,616)	(22,011)	(18,262)	-	(2,986)	(50,875)
Recognised in profit or loss	-	1,176	(6,094)	-	-	(4,918)
Recognised in equity	-	17,184	-	-	-	17,184
At 31 December 2014	(7,616)	(3,651)	(24,356)	-	(2,986)	(38,609)

Group	2015 RM'000	2014 RM'000
<b>Presented after appropriate offsetting as follows:</b>		
Deferred tax assets	(26,513)	(38,609)
Deferred tax liabilities	66,499	121,199
	39,986	82,590



### 34. DEFERRED TAX LIABILITIES/(ASSETS) (CONT'D.)

Company	RCULS 2012/2022 RM'000
<b>Deferred tax assets</b>	
At 1 January 2015	(3,651)
Recognised in profit or loss (Note 12)	238
Recognised in equity	3,413
At 31 December 2015	-
At 1 January 2014	(22,011)
Recognised in profit or loss (Note 12)	1,176
Recognised in equity	17,184
At 31 December 2014	(3,651)

The unused tax losses, unabsorbed capital allowances and other deductible temporary differences of the Group are available indefinitely for offsetting against future taxable profits of the respective entities within the Group, subject to no substantial change in shareholdings of those entities under the Income Tax Act, 1967 and guidelines issued by the tax authority.

Deferred tax assets have not been recognised in respect of these items as they may not be used to offset taxable profits of other subsidiaries in the Group and they have arisen in subsidiaries that have a recent history of losses.

### 35. SECURITY RETAINERS

Security retainers are funds collected from members of the golf and country resort of the Group who joined prior to January 1993. These security retainers are refundable to the members on cessation of membership, i.e. upon the expiry of the term of the membership license on 9 October 2051 or upon revocation (i.e. termination of the membership at its discretion at any time before the expiry date).

	Group	
	2015 RM'000	2014 RM'000
At 1 January	1,587	1,485
Unwinding of discount (Note 8)	295	362
Termination	(180)	(260)
At 31 December	1,702	1,587

### 36. DEFERRED LICENSE FEES

	<b>Group</b>	
	<b>2015</b>	<b>2014</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cost</b>		
At 1 January	114,658	108,827
Additions	4,805	5,831
At 31 December	119,463	114,658
<b>Accumulated amortisation</b>		
At 1 January	31,558	29,191
Amortisation during year (Note 9)	2,411	2,367
At 31 December	33,969	31,558
<b>Net carrying amount</b>	<b>85,494</b>	<b>83,100</b>
Current	2,411	2,367
Non-current	83,083	80,733
	<b>85,494</b>	<b>83,100</b>

The deferred license fees refer to accrual and amortisation of license fees over 40 years which will expire on 9 October 2051.

### 37. DEFERRED INCOME

	<b>Group</b>	
	<b>2015</b>	<b>2014</b>
	<b>RM'000</b>	<b>RM'000</b>
Unrealised profits from a transaction with an associate	59,774	-

The deferred income of the Group is in respect of unrealised profit arising from sale of land to an associate during the current financial year. The land sale profit recognised from the disposal of land by the subsidiary to the associate is eliminated to the extent of the Group's interest in the associate in accordance with the basis of consolidation as disclosed in Note 2.18. Accordingly, the Group recognised the excess of the unrealised profit over the carrying value of the associate as deferred income. The deferred income is realised in the statements of comprehensive income over the periods when the underlying asset of the associate is realised.

### 38. BORROWINGS

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
<b>Current</b>				
Secured:				
Bridging loan	10,531	14,208	-	-
Revolving credits	213,491	399,552	163,000	168,000
Term loans	168,623	265,522	-	-
Hire purchase (Note 38(a))	3,791	3,626	-	-
Banker acceptances	-	5,674	-	-
CP MTN (Note 38(b))	95,000	70,000	95,000	70,000
Bank overdrafts	1,006	10,383	-	-
Less: Unamortised issuance expenses	(4,092)	(3,894)	(1,083)	(1,126)
	488,350	765,071	256,917	236,874
<b>Non-current</b>				
Secured:				
Bridging loans	51,922	24,441	-	-
Term loans	1,029,631	1,344,253	-	-
Hire purchase (Note 38(a))	3,406	5,759	-	-
CP MTN (Note 38(b))	205,000	300,000	205,000	300,000
Less: Unamortised issuance expenses	(24,867)	(16,162)	(1,966)	(3,025)
	1,265,092	1,658,291	203,034	296,975
Unsecured:				
RCULS (Note 30(d))	-	14,606	-	14,606
	1,265,092	1,672,897	203,034	311,581
<b>Total borrowings</b>				
Secured:				
Bridging loans	62,453	38,649	-	-
Revolving credits	213,491	399,552	163,000	168,000
Term loans	1,198,254	1,609,775	-	-
Hire purchase (Note 38(a))	7,197	9,385	-	-
Banker acceptances	-	5,674	-	-
CP MTN (Note 38(b))	300,000	370,000	300,000	370,000
Bank overdrafts (Note 27)	1,006	10,383	-	-
Less: Unamortised issuance expenses	(28,959)	(20,056)	(3,049)	(4,151)
	1,753,442	2,423,362	459,951	533,849
Unsecured:				
RCULS (Note 30(d))	-	14,606	-	14,606
	1,753,442	2,437,968	459,951	548,455



### 38. BORROWINGS (CONT'D.)

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Unamortised issuance expenses:				
At 1 January	20,056	17,447	4,151	5,383
Incurred during the year	23,550	8,900	-	-
Amortisation for the year (Note 8)	(14,647)	(6,291)	(1,102)	(1,232)
At 31 December	28,959	20,056	3,049	4,151
<b>Maturities of borrowings:</b>				
Not later than one year	492,442	768,965	258,000	238,000
Later than 1 year and not later than 5 years	1,194,300	1,332,618	205,000	314,606
More than 5 years	95,659	356,441	-	-
Less: Unamortised issuance expenses	(28,959)	(20,056)	(3,049)	(4,151)
<b>Total</b>	<b>1,753,442</b>	<b>2,437,968</b>	<b>459,951</b>	<b>548,455</b>

The range of interest rates per annum at the reporting date for borrowings were as follows:

	2015	2014
Revolving credits	5.18% - 6.35%	4.96% - 7.35%
Bridging loans	4.66% - 5.91%	4.90% - 5.80%
Term loans	4.91% - 7.35%	4.94% - 7.60%
Banker acceptances	-	4.85% - 5.03%
Bank overdrafts	5.82% - 7.85%	6.60% - 7.35%
CP MTN	3.93% - 4.60%	3.84% - 4.60%

The revolving credits, bridging loan and term loans of the Group and of the Company are secured by certain assets of the Group and of the Company are as follows:

- (i) fixed charge over certain property, plant and equipment as disclosed in Note 15;
- (ii) fixed charge over certain land held for property development and property development costs as disclosed in Note 16;
- (iii) fixed charge over certain investment properties as disclosed in Note 17;
- (iv) legal assignment of all cashflows, sale or tenancy agreements, insurance policies, construction contracts, construction guarantees and performance bonds in relation to a project developed by a subsidiary;
- (v) fixed and floating charge over the assets of certain subsidiaries;
- (vi) specific debenture creating a fixed and floating charge over the Charged Properties; and
- (vii) corporate guarantees provided by the Company.

Other information on financial risks of borrowings are disclosed in Note 45.

### 38. BORROWINGS (CONT'D.)

	Company	
	2015 RM'000	2014 RM'000
Unsecured corporate guarantees given to banks for credit facilities granted to certain subsidiaries	3,459,380	2,846,842

#### (a) Hire purchase

The Group has finance leases for certain items of property, plant and equipment (Note 15). Future minimum lease payments under finance leases together with the present value of the net minimum lease payments are as follows:

	Group	
	2015 RM'000	2014 RM'000
<b>Minimum lease payments:</b>		
Not later than 1 year	3,990	3,966
Later than 1 year but not later than 2 years	1,722	4,396
Later than 2 years but not later than 5 years	1,915	1,690
Later than 5 years	27	152
Total minimum lease payments	7,654	10,204
Less: Amount representing finance charges	(457)	(819)
Present value of minimum lease payments	7,197	9,385
<b>Present value of payments:</b>		
Not later than 1 year	3,791	3,626
Later than 1 year but not later than 2 years	1,581	4,136
Later than 2 years but not later than 5 years	1,797	1,475
Later than 5 years	28	148
Present value of minimum lease payments	7,197	9,385
Less: Amount due within 12 months	(3,791)	(3,626)
Amount due after 12 months	3,406	5,759

### 38. BORROWINGS (CONT'D.)

#### (a) Hire purchase (cont'd)

These obligations are secured by a charge over the leased asset (Note 15). The discount rate implicit in the leases ranges from 2.66% to 5.57% (2014: 2.30% to 5.00%).

#### (b) Commercial Papers and/or Medium Term Notes ("CP MTN")

In the year of 2013, the Company took up a CP MTN of RM500million in nominal value. As at 31 December 2015, four tranches with a total of 12 series of CP MTN amounting to RM360million in nominal value were issued.

The remaining maturities of the CP MTN as at 31 December 2015 and 31 December 2014 are as follows:

	Group and Company	
	2015 RM'000	2014 RM'000
On demand or within one year	95,000	70,000
More than 1 year and less than 2 years	205,000	95,000
More than 2 years and less than 5 years	-	205,000
	300,000	370,000

The CP MTN is being secured by the following:

- (i) assignment and charge over the Designated Accounts;
- (ii) third party charge over freehold and leasehold lands, with an aggregate carrying amounts of RM223,490,000 (2014: RM270,220,000), and its related rental income arising from the investment properties; and
- (iii) assignment of proceeds arising from the exercise of its warrants.



### 39. TRADE AND OTHER PAYABLES

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
<b>Non-current</b>				
<b>Trade payables</b>				
Third parties	456,810	496,274	-	-
<b>Current</b>				
<b>Trade payables</b>				
Third parties	469,452	528,679	-	-
<b>Current</b>				
<b>Other payables</b>				
Other payables and deposits	216,677	267,183	5,594	6,696
Amounts due to related companies				
- Subsidiaries	-	-	890,973	385,344
- Non-controlling interests of subsidiaries	11,602	23,671	-	-
Amounts due to joint ventures	-	796	-	-
	228,279	291,650	896,567	392,040
	697,731	820,329	896,567	392,040

#### (a) Trade payables

The normal trade credit term granted to the Group ranges from 30 to 90 days (2014: 30 to 90 days).

#### (b) Other payables

Other payables are mainly unsecured, interest free and have no fixed terms of repayment.

Amounts due to related parties, consisting of subsidiaries, non-controlling interests of subsidiaries, directors of the subsidiaries and joint ventures are mainly unsecured, interest free and have no fixed terms of repayment.

Further details on related party transactions are disclosed in Note 41.

Other information on financial risks of other payables are disclosed in Note 45.

#### (c) Trade payable (Non-current)

This amount relates to payable amount arising from acquisition of land by a subsidiary of the Group, which is payable over 20 years.

#### 40. OTHER CURRENT LIABILITIES

	<b>Group</b>	
	<b>2015</b>	<b>2014</b>
	<b>RM'000</b>	<b>RM'000</b>
Advance progress billings in respect of property development costs	3,143	-

#### 41. SIGNIFICANT RELATED PARTY TRANSACTIONS

##### (a) Transactions with subsidiaries

	<b>Company</b>	
	<b>2015</b>	<b>2014</b>
	<b>RM'000</b>	<b>RM'000</b>
Dividend income from subsidiaries	187,500	131,170
Interest income derived from unwinding of discount on amount due from subsidiaries	5,142	2,685
Interest income from amount due from subsidiaries	29,676	26,464
Interest expense from amount due to subsidiaries	(15,264)	(13,882)

##### (b) Transactions with entities related to Tan Sri Dato' Tan Chee Sing (Director of the Company)

	<b>2015</b>	<b>2014</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Group</b>		
<b>Rental income receivable/received from:</b>		
Beverly Wilshire Aesthetic Dental Centre Sdn. Bhd.	115	55
Beverly Wilshire Medical Centre Sdn. Bhd.	1,732	1,520
D&I Corporation Sdn. Bhd.	3,155	3,634
Damai Merdu Sdn. Bhd.	104	216
Desa Setia Sdn. Bhd.	7,125	6,784
Lion Establishment Sdn. Bhd.	232	684
Esteem Value Sdn. Bhd.	50	55
Finesseco Sdn. Bhd.	-	436
Happy Graphic Recreation Sdn. Bhd.	259	1,722
Inland Sports and Recreation Club Sdn. Bhd.	227	212
IB Mentari Management Sdn. Bhd.	13,778	13,441
Ribuan Budaya Sdn. Bhd.	332	573

#### 41. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONT'D.)

##### (b) Transactions with entities related to Tan Sri Dato' Tan Chee Sing (Director of the Company) (cont'd.)

	2015 RM'000	2014 RM'000
<b>Group</b>		
<b>Rental income receivable/received from (cont'd.):</b>		
S.E. Executive Centre Sdn. Bhd.	697	623
Seni Simbolik Sdn. Bhd.	33	280
Suasa Tetap Sdn. Bhd.	69	53
Succeo Food and Beverage Sdn. Bhd.	60	105
Sungai Merdu Ria Sdn. Bhd.	242	221
Tai Thong Group Sdn. Bhd.	993	1,371
Unique Dynasty Sdn. Bhd.	876	838
<b>Project management fees receivable/received from:</b>		
Alam Harmoni Sdn. Bhd.	-	145
<b>Security charges receivable/received from:</b>		
Gelombang Kreatif Sdn. Bhd.	10	7
Lambang Potensi Sdn. Bhd.	32	24
Steady Perspective Sdn. Bhd.	35	26
<b>Car park income receivable/received from:</b>		
Tenaki Sdn. Bhd.	71	18
Top Edge Management Sdn. Bhd.	8	15
<b>Utilities charges receivable/received from:</b>		
Dynamic Sensation Sdn. Bhd.	187	182
Tropicana Grand Ballroom & Boutique Sdn. Bhd.	13	14
Palmgold Services Corporate Sdn. Bhd.	62	-
<b>Advertising income receivable/received from:</b>		
Beverly Wilshire Dental Centre Sdn. Bhd.	-	25
Beverly Wilshire Medical Centre Sdn. Bhd.	-	26
Tai Thong Group Sdn. Bhd.	-	13
<b>Sales of an investment property to:</b>		
Glorade Sdn. Bhd.	12,000	-
<b>Insurance charges payable/paid to:</b>		
Berjaya Sompo Insurance Berhad	(1,776)	(2,068)



#### 41. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONT'D.)

##### (b) Transactions with entities related to Tan Sri Dato' Tan Chee Sing (Director of the Company) (cont'd.)

	2015 RM'000	2014 RM'000
<b>Group</b>		
<b>Transportation cost payable/paid to:</b>		
Rainbow State Limited	(1,826)	(2,270)
<b>Entertainment expenses payable/paid to:</b>		
Tai Thong Group Sdn. Bhd.	(399)	(376)
<b>Car Park charges payable/paid to:</b>		
Tai Thong Group Sdn. Bhd.	-	(375)
<b>Gift expense payable/paid to:</b>		
Succeo Retail Sdn. Bhd.	(1,491)	(1,654)
<b>Rental expenses payable/paid to:</b>		
Yaasir Sdn. Bhd.	(150)	(144)
<b>Company</b>		
<b>Project management fees receivable/received from:</b>		
Alam Harmoni Sdn. Bhd.	-	145
<b>Insurance charges payable/paid to:</b>		
Berjaya Sompo Insurance Berhad	(33)	(33)
<b>Transportation cost payable/paid to:</b>		
Rainbow State Limited	(1,826)	(2,270)
<b>Entertainment expenses payable/paid to:</b>		
Tai Thong Group Sdn. Bhd.	(13)	(376)
<b>Gift expense payable/paid to:</b>		
Succeo Retail Sdn. Bhd.	(774)	(1,529)

#### 41. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONT'D.)

(c) Transactions with entities related to Tan Sri Dato' Tan Chee Yioun ("Tan Sri Vincent Tan"), whom is the brother of Tan Sri Dato' Tan Chee Sing.

	2015 RM'000	2014 RM'000
<b>Group</b>		
<b>Rental income receivable/received from:</b>		
7-Eleven (Malaysia) Sdn. Bhd.	203	270
Cosway (M) Sdn. Bhd.	-	87
Berjaya Books Sdn. Bhd.	235	421
Berjaya Pizza Company Sdn. Bhd.	149	272
Berjaya Roasters (M) Sdn. Bhd.	169	295
Berjaya Starbucks Coffee Company Sdn. Bhd.	286	479
Wow Outdoor Sdn. Bhd.	36	204
U Mobile Sdn. Bhd.	279	370
<b>Telephone charges payable/paid to:</b>		
U Mobile Sdn. Bhd.	(13)	(25)
<b>Marketing expenses payable/paid to:</b>		
Wow Outdoor Sdn. Bhd.	(4,620)	(1,653)
<b>Rental expenses payable/paid to:</b>		
Berjaya Time Square Sdn. Bhd.	-	(50)
<b>Transportation cost payable/paid to:</b>		
Berjaya Air	(42)	-
<b>Company</b>		
<b>Transportation cost payable/paid to:</b>		
Berjaya Air	(42)	-

#### 41. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONT'D.)

##### (d) Sale of development properties

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and the related parties took place at terms agreed between the parties during the financial year.

	2015 RM'000	2014 RM'000
<b>Group</b>		
Sales of development properties to certain directors of the Company	8,979	2,243
Sales of development properties to immediate family of certain directors of the Company	-	1,553
Sales of development properties to certain directors of subsidiary	5,518	2,375
Sales of development properties to certain key management personnel	4,415	-

##### (e) Transaction with associate - MT. Rock Powder Corporation

	<b>Group</b>	
	2015 RM'000	2014 RM'000
Sales of goods	12,264	12,557

The directors are of the opinion that all the above transactions were entered into in the normal course of business and have been established under terms that are no less favourable than those obtainable in transactions with unrelated parties.

##### (f) Compensation of key management personnel

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel includes all the Directors of the Group, and certain members of senior management of the Group.



#### 41. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONT'D.)

##### (f) Compensation of key management personnel (cont'd.)

The remuneration of directors and other members of key management during the year were as follows:

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Short-term employee benefits	23,578	41,423	1,273	2,519
Post-employment benefits:				
Defined contribution plan	2,423	4,567	48	215
Share-based payment ESOS	-	11,549	-	1,143
	26,001	57,539	1,321	3,877

Included in the total key management personnel are:

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Directors' remuneration (Note 11)	21,750	46,833	1,321	3,877

##### Share options granted to key management personnel

	Group	
	2015 RM'000	2014 RM'000
At 1 January	23,603	12,102
Adjustment for personnels (resigned)/ becoming key management personnel during the year	(260)	713
Granted	-	11,549
Exercised	-	(761)
Expired	(23,343)	-
At 31 December	-	23,603

The share options were granted on the same terms and conditions as those offered to other employees of the Group (Note 32).

## 42. FINANCIAL INSTRUMENTS

### Classification of financial instruments

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost. The principal accounting policies of the Group described how the class of financial instruments are measured, and how income and expenses, including fair value gains and losses, are recognised. The following table analysed the financial assets and liabilities in the statement of financial position by the class of financial instrument to which they are assigned, and therefore by the measurement basis.

Group	Loans and receivables RM'000	Fair value through profit or loss RM'000	Financial liabilities at amortised cost RM'000	Total RM'000
<b>31 December 2015</b>				
<b>Assets</b>				
Other investments	-	312	-	312
Security retainers accumulation fund	4,270	-	-	4,270
Amount due from an associate	100,102	-	-	100,102
Trade and other receivables				
- Non-current	20,695	-	-	20,695
- Current	281,959	-	-	281,959
Cash and bank balances	837,493	-	-	837,493
Total financial assets				1,244,831
Total non-financial assets				5,555,907
Total assets				6,800,738
<b>Liabilities</b>				
Borrowings				
- Non-current	-	-	1,265,092	1,265,092
- Current	-	-	488,350	488,350
Trade and other payables				
- Non-current	-	-	456,810	456,810
- Current	-	-	697,731	697,731
Security retainers	-	-	1,702	1,702
Total financial liabilities				2,909,685
Total non-financial liabilities				536,041
Total liabilities				3,445,726

#### 42. FINANCIAL INSTRUMENTS (CONT'D.)

##### Classification of financial instruments (cont'd.)

Group	Loans and receivables RM'000	Fair value through profit or loss RM'000	Financial liabilities at amortised cost RM'000	Total RM'000
<b>31 December 2014</b>				
<b>Assets</b>				
Other investments	-	312	-	312
Security retainers accumulation fund	4,050	-	-	4,050
Trade and other receivables				
- Non-current	5,967	-	-	5,967
- Current	808,534	-	-	808,534
Cash and bank balances	452,627	-	-	452,627
Total financial assets				1,271,490
Total non-financial assets				5,943,506
Total assets				7,214,996
<b>Liabilities</b>				
Borrowings				
- Non-current	-	-	1,672,897	1,672,897
- Current	-	-	765,071	765,071
Trade and other payables				
- Non-current	-	-	496,274	496,274
- Current	-	-	820,329	820,329
Security retainers	-	-	1,587	1,587
Total financial liabilities				3,756,158
Total non-financial liabilities				273,657
Total liabilities				4,029,815



**42. FINANCIAL INSTRUMENTS (CONT'D.)**

Company	Loans and receivables RM'000	Fair value through profit or loss RM'000	Financial liabilities at amortised cost RM'000	Total RM'000
<b>31 December 2015</b>				
<b>Assets</b>				
Other investments	-	312	-	312
Trade and other receivables				
- Non-current	40,213	-	-	40,213
- Current	1,839,936	-	-	1,839,936
Cash and bank balances	277,055	-	-	277,055
Total financial assets				2,157,516
Total non-financial assets				1,350,994
Total assets				3,508,510
<b>Liabilities</b>				
Borrowings				
- Non-current	-	-	203,034	203,034
- Current	-	-	256,917	256,917
Other payables	-	-	896,567	896,567
Total financial liabilities				1,356,518
Total non-financial liabilities				594
Total liabilities				1,357,112
<b>31 December 2014</b>				
<b>Assets</b>				
Other investments	-	312	-	312
Trade and other receivables	1,464,505	-	-	1,464,505
Cash and bank balances	138,340	-	-	138,340
Total financial assets				1,603,157
Total non-financial assets				1,445,370
Total assets				3,048,527
<b>Liabilities</b>				
Borrowings				
- Non-current	-	-	311,581	311,581
- Current	-	-	236,874	236,874
Other payables	-	-	392,040	392,040
Total financial liabilities				940,495

#### 43. FAIR VALUE MEASUREMENT

The fair value measurement hierarchies used to measure assets and liabilities carried at fair value in the statements of financial position as at 31 December 2015 are as follows:

- (a) Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (b) Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices).
- (c) Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
<b>Group</b>				
<b>31 December 2015</b>				
<b>Asset</b>				
Investment properties (Note 17)				
- Land	-	-	22,474	22,474
- Commercial buildings	-	-	289,268	289,268
FVTPL financial assets (Note 21)	-	-	312	312
<b>31 December 2014</b>				
<b>Asset</b>				
Investment properties (Note 17)				
- Land	-	-	20,458	20,458
- Commercial buildings	-	-	428,968	428,968
FVTPL financial assets (Note 21)	-	-	312	312

#### 43. FAIR VALUE MEASUREMENT (CONT'D.)

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
<b>Company</b>				
<b>31 December 2015</b>				
<b>Asset</b>				
FVTPL financial assets (Note 21)	-	-	312	312
<b>31 December 2014</b>				
<b>Asset</b>				
FVTPL financial assets (Note 21)	-	-	312	312

There were no material transfer between Level 1, Level 2 and Level 3 during the financial year.

The Group and Company do not have any financial liabilities carried at fair value nor any financial instruments classified as Level 2 as at 31 December 2015 and 31 December 2014.

#### 44. FAIR VALUE OF FINANCIAL INSTRUMENTS

##### A. Determination of fair value

Amounts due from subsidiaries and advances to/ from subsidiaries.

The fair values of these financial instruments are estimated by discounting expected future cash flows at market incremental lending rate for similar types of lending, borrowing or leasing arrangements at the reporting date.

Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value.

The carrying amounts of current financial assets and liabilities are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

Borrowings are evaluated by the Group based on parameters such as interest rates, specific country risk factors and the risk characteristics of the financed project.



#### 45. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk, foreign currency risk and market price risk.

The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the Finance Director. The Board Risk Management Committee provides independent oversight to the effectiveness of the risk management process.

The following sections provide details regarding the Group's and Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

##### (a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For cash and bank balances, the Group and the Company minimise credit risk by dealing exclusively with reputable financial institutions.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

##### Exposure to credit risk

At the reporting date, the Group's and the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

#### 45. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

##### (a) Credit risk (cont'd.)

###### Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the industry sector profile of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group's trade receivables at the reporting date are as follows:

	2015		2014	
	RM'000	% of total	RM'000	% of total
<b>Group</b>				
Property development	153,545	82%	598,584	86%
Property investment	20,531	11%	27,085	4%
Resorts operation	3,845	2%	4,828	1%
Investment holding and others	8,779	5%	62,608	9%
	186,700	100%	693,105	100%

##### (b) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

The Group's and the Company's liquidity risk management policy is to maintain sufficient liquid financial assets and stand-by credit facilities with several banks.

###### **Analysis of financial instruments by remaining contractual maturities**

The table below summarises the maturity profile of the Group's and the Company's liabilities at the reporting date based on contractual undiscounted repayment obligations.

#### 45. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

##### (b) Liquidity risk (cont'd.)

Analysis of financial instruments by remaining contractual maturities (cont'd.)

	On demand or within one year RM'000	One to five years RM'000	More than five years RM'000	Total RM'000
<b>Group</b>				
<b>2015</b>				
<b>Financial liabilities:</b>				
Trade and other payables	810,486	311,373	685,720	1,807,579
Security retainer accumulation funds	-	-	27,260	27,260
Borrowings	725,297	1,477,565	1,042,058	3,244,920
Total undiscounted financial liabilities	1,535,783	1,788,938	1,755,038	5,079,759
<b>2014</b>				
<b>Financial liabilities:</b>				
Trade and other payables	820,329	368,654	859,605	2,048,588
Security retainer accumulation funds	-	-	27,260	27,260
Borrowings	1,003,923	2,036,784	77,820	3,118,527
Total undiscounted financial liabilities	1,824,252	2,405,438	964,685	5,194,375
<b>Company</b>				
<b>2015</b>				
<b>Financial liabilities:</b>				
Other payables	896,567	-	-	896,567
Borrowings	268,753	210,833	-	479,586
Total undiscounted financial liabilities	1,165,320	210,833	-	1,376,153
<b>2014</b>				
<b>Financial liabilities:</b>				
Other payables	392,040	-	-	392,040
Borrowings	253,639	320,833	-	574,472
Total undiscounted financial liabilities	645,679	320,833	-	966,512



#### 45. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

##### (c) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's primary interest rate risk relates to interest-bearing borrowings.

The investments in financial assets including fixed deposits are mainly short term in nature and they are not held for speculative purposes.

The Group manages its interest rate exposure by using a mix of fixed and floating rate debts and actively reviewing its debt portfolio, taking into account the investment holding period and nature of its assets.

##### Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before tax (through the impact on floating rate borrowings).

	Group RM'000	Company RM'000
<b>31 December 2015</b>		
Borrowings denominated in Ringgit Malaysia		
Interest rates increase by 0.25 percentage point	(12,193)	(9,186)
Interest rates decrease by 0.25 percentage point	12,193	9,186
<b>31 December 2014</b>		
Borrowings denominated in Ringgit Malaysia		
Interest rates increase by 0.25 percentage point	(11,051)	(8,245)
Interest rates decrease by 0.25 percentage point	11,051	8,245

##### (d) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group has transactional currency exposures arising from balances in other payables in a currency other than the functional currencies of Group. The foreign currency in which these transactions are denominated is US Dollars ("USD"), Taiwan Dollars ("TWD"), Thai Baht ("THB") and Rupiah ("RP").

#### 45. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

##### (d) Foreign currency risk (cont'd.)

In the previous financial year, the Group also held cash and cash equivalents denominated in foreign currencies for working capital purposes. At the reporting date, foreign currency balances which was in USD amounted to RM35,881,000, TWD amounted to RM5,372,000, BAHT amounted to RM7,428,000 and RP amounted to RM499,000 for the Group.

##### Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's profit net of tax to a reasonably possible change in the USD exchange rates against the respective functional currencies of the Group entities, with all other variables held constant.

		Group	
		2015	2014
		RM'000	RM'000
		Profit before tax	Profit before tax
USD/RM	- strengthened 5% (2014: 5%)	-	1,794
	- weakened 5% (2014: 5%)	-	(1,794)
TWD/RM	- strengthened 5% (2014: 5%)	-	269
	- weakened 5% (2014: 5%)	-	(269)
THB/RM	- strengthened 5% (2014: 5%)	-	371
	- weakened 5% (2014: 5%)	-	(371)
RP/RM	- strengthened 5% (2014: 5%)	-	25
	- weakened 5% (2014: 5%)	-	(25)

#### 46. OPERATING LEASE ARRANGEMENTS

##### (a) The Group as lessee

The Group has entered into non-cancellable operating lease agreements for the use of office premises and equipment. These leases have an average life of 3 years with renewal or purchase option included in the contracts. There are no restrictions placed upon the Group by entering into these leases.

#### 46. OPERATING LEASE ARRANGEMENTS (CONT'D.)

##### (a) The Group as lessee (cont'd.)

Future minimum rentals payable under non-cancellable operating leases at the reporting date are as follows:

	Group		Company	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Not later than 1 year	6,567	2,452	-	407
Later than 1 year and not later than 5 years	8,262	4,481	-	839
	14,829	6,933	-	1,246

##### (b) The Group as lessor

The Group has entered into cancellable operating lease agreements on its investment property portfolio. These leases have remaining cancellable lease terms of between 1 to 5 years. All leases include a clause to enable upward revision of the rental charge on an annual basis based on prevailing market conditions.

Future minimum rentals receivable under non-cancellable operating leases at the reporting date are as follows:

	Group	
	2015	2014
	RM'000	RM'000
Not later than 1 year	26,719	50,846
Later than 1 year and not later than 5 years	23,748	39,397
Later than 5 years	-	17,282
	50,467	107,525



#### 47. COMMITMENTS

	Group	
	2015	2014
	RM'000	RM'000
<b>Capital expenditure</b>		
<b>Capital commitment</b>		
Approved and contracted for:		
- Land held for property development	231,850	771,900
- Property, plant and equipment	732,464	479,000
Approved and not contracted for:		
- Property, plant and equipment	539,844	737,500
	1,504,158	1,988,400

Included in land held for property development is share of joint venture's capital commitment amounted to RM221,500,000 (2014: RM351,000,000).

#### 48. SEGMENTAL INFORMATION

##### (a) Business segments:

For management purposes, the Group is organised into business units based on their business segments, and has three reportable operating segments as follows:

- (i) Property development - development of residential and commercial properties
- (ii) Property investment and resort - Operation of clubhouse, shopping mall and investment properties, provision of golfing and other sporting and recreational facilities and rental of rooms and other related hotel facilities
- (iii) Investment holding and others - Investment income and manufacturing income. Manufacturing has been classified as discontinued operation as at 31 December 2015

Except as indicated above, no operating segments has been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segmental performance is evaluated based on operating profit or loss which, in certain respects as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements. Group financing (including finance costs) and income taxes are managed on a group basis and are not allocated to operating segments.

## 48. SEGMENTAL INFORMATION (CONT'D.)

Segmental information by business segments:

	Property development		Property investment and resort		Investment holding and others		Discontinued operation		Adjustments and eliminations		Notes		Total	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000			2015 RM'000	2014 RM'000
<b>Revenue and expenses</b>														
<b>Revenue</b>														
External sales	1,087,384	1,569,287	111,447	143,354	53,883	46,204	98,990	213,513	-	-	-	-	1,351,704	1,972,358
Inter-segment	5,990	12,073	1,759	2,451	285,500	169,011	-	-	(293,249)	(183,535)	(A)	-	-	-
Total revenue	1,093,374	1,581,360	113,206	145,805	339,383	215,215	98,990	213,513	(293,249)	(183,535)			1,351,704	1,972,358
<b>Results</b>														
Interest income	13,515	16,775	21,798	9,927	42,626	32,975	53	-	(52,119)	(49,075)			25,873	10,602
Depreciation and amortisation	(14,589)	(11,503)	(9,372)	(9,710)	(2,346)	(1,492)	(1,329)	(4,372)	(632)	(1,992)			(28,268)	(29,069)
Share of results of associate	-	-	-	-	-	-	(17)	993	-	-			(17)	993
Share of results of joint venture	-	-	-	-	-	-	1,672	3,865	17,944	11,492			19,616	15,357
Other non-cash expenses	(450)	(16,516)	-	-	(2,980)	(1,345)	-	-	2,980	-	(B)	(450)	(450)	(17,861)
<b>Segment profit</b>	180,487	352,704	213,512	117,964	377,767	156,836	15,741	39,837	(474,678)	(215,885)	(C)	312,829	451,456	451,456
<b>Assets</b>														
Interests in associates	100,102	-	-	-	-	2,830	-	-	-	(74)			100,102	2,756
Investment in jointly controlled entities	-	-	-	-	89,268	84,843	-	-	249,522	179,567			338,790	264,410
Additions to non-current assets	447,354	1,391,923	3,650	9,266	53,535	19,488	-	-	-	-	(D)		504,539	1,420,677
<b>Segment assets</b>	5,533,449	5,041,233	1,708,468	2,038,744	4,594,057	4,185,411	-	-	(5,035,236)	(4,050,392)			6,800,738	7,214,996
<b>Segment liabilities</b>	4,468,372	4,036,842	467,393	977,860	2,164,512	1,677,839	-	-	(3,654,551)	(2,662,726)			3,445,726	4,029,815

#### 48. SEGMENTAL INFORMATION (CONT'D.)

Inter-segment revenue are eliminated upon consolidation and reflected in the 'adjustment and eliminations' column. All other adjustments and eliminations are part of detail reconciliation presented below:

##### Notes: Nature of adjustments and eliminations to arrive at the amounts reported in the consolidated financial statements

- A. Inter-segment revenues are eliminated on consolidation.
- B. Other material non-cash expenses consist of the following items as presented in the respective notes to the financial statements:

	2015 RM'000	2014 RM'000
Share based payments	-	17,113
Impairment loss on financial assets	450	748
	450	17,861

- C. The following items are added to/(deducted from) segment profit to arrive at profit before tax from continuing operations presented in the consolidated statement of comprehensive income:

	2015 RM'000	2014 RM'000
Share of results of joint ventures	17,944	11,492
Finance costs	(65,005)	(49,229)

- D. Additions to non-current assets consist of:

	2015 RM'000	2014 RM'000
Property, plant and equipment	144,732	97,057
Investment properties	8,637	31,157
Land held for property development	351,019	1,292,463
	504,388	1,420,677



#### 49. SIGNIFICANT EVENTS

- (A) The followings are summary of material acquisitions and disposals of properties by the Group's subsidiaries and joint ventures during the financial year ended 31 December 2015 and previous financial years.

##### Acquisition in financial year ended 31 December 2011:

- (i) Transactions where the conditions precedents have not been fulfilled as at 31 December 2015 are as follows:

Location of property	Type	Area	Consideration RM'000
Mukim 13, District of Timur Laut, State of Pulau Pinang (Parcel 5 and Parcel 6).	Freehold	Penang	425,180

##### Acquisition in financial year ended 31 December 2013:

- (i) Transactions where the conditions precedents were not fulfilled and Group exercised its right to terminate the sales and purchase agreement during the financial year 31 December 2015 are as follows:

Location of property	Type	Area	Consideration RM'000
HS (D) 437846 PTD 194795 in the District of Johor Bahru, Mukim Plentong, State of Johor	Leasehold	Johor	444,312

##### Acquisitions in financial year ended 31 December 2014:

- (i) Transactions where the conditions precedents have not fulfilled as at 31 December 2015 are as follows:

Location of property	Type	Area	Consideration RM'000
HSM 715, PTD 3997, Kg. Sungai Danga, Mukim Pulai, Daerah Johor Bahru, Negeri Johor	Leasehold	Johor	11,300

- (ii) Transactions where the conditions precedents were fulfilled and completed as at 31 December 2015 are as follows:

Location of property	Type	Area	Consideration RM'000
Geran 94441, Lot 2119, Mukim of Plentong, Daerah of Johor Bahru, State of Johor	Freehold	Johor	8,857
PN 45934, Lot 1181 & Geran 35834, Lot 503, Seksyen 67, Bandar Kuala Lumpur, Daerah Kuala Lumpur.	Freehold	Kuala Lumpur	91,970

#### 49. SIGNIFICANT EVENTS (CONT'D.)

- (A) The followings are summary of material acquisitions and disposals of properties by the Group's subsidiaries and joint ventures during the financial year ended 31 December 2015 and previous financial years. (cont'd.)

##### Acquisitions in financial year ended 31 December 2015:

- (i) Transactions where the conditions precedents have not fulfilled as at 31 December 2015 are as follows:

Location of property	Type	Area	Consideration RM'000
Lot 603, 604 & Lot 605, Jln Rembia, Changkat Bukit Bintang, Kuala Lumpur	Freehold	Kuala Lumpur	19,200

##### Disposals in financial year ended 31 December 2014:

- (i) Transactions where the conditions precedents were fulfilled and completed as at 31 December 2015 are as follows:

Location of property	Type	Area	Consideration RM'000
HSM 21199, PT 17400, Mukim and District of Petaling Jaya, Selangor	Freehold	Selangor	40,000
8 pieces of land in Bandar Kuala Lumpur, Daerah Kuala Lumpur	Freehold	Kuala Lumpur	448,440
Geran 295496, Lot 4887, Bandar Subang Jaya, Daerah Petaling, Negeri Selangor	Freehold	Selangor	37,553
PN 74909 for No. Lot 62161, Bandar Sunway, District of Petaling, State of Selangor	Leasehold	Selangor	106,766
CL015539992 and CL015540002, District of Kota Kinabalu, Sabah	Leasehold	Sabah	7,540

##### Disposal in financial year ended 31 December 2015:

- (i) Transactions where the conditions precedents were fulfilled and completed as at 31 December 2015 are as follows:

Location of property	Type	Area	Consideration RM'000
4-Storey shopping mall and 12-storey office tower in Geran 54431, Lot 45821, Seksyen 39, Bandar Petaling Jaya, Selangor	Freehold	Selangor	540,000
PT26584, HSD19107, Mukim Batu, District of Kuala Lumpur.	Leasehold	Kuala Lumpur	12,000

## 50. SUBSEQUENT EVENTS

- (i) On 28 January 2016, Tropicana Plaza Sdn. Bhd. ("TPSB"), a wholly-owned subsidiary of the Group, entered into a sale and purchase agreement ("SPA") with Kenanga Investment Bank Berhad, for disposal of a property comprising a piece of freehold land measuring approximately 3,674 square meter together with a 19-storey office building in Kuala Lumpur for a cash consideration of RM140,000,000.

The SPA has become unconditional on 11 April 2016. Barring any unforeseen circumstances, the disposal is expected to be completed in second quarter of 2016.

- (ii) On 12 January 2016, Advent Nexus Sdn. Bhd. ("ANSB"), a wholly-owned subsidiary of the Group, entered into a conditional sale and purchase agreement with Pinnacle Supreme Sdn. Bhd. for disposal of a piece of freehold land measuring approximately 1,106 square meters together with a 10-storey building in Kuala Lumpur for a cash consideration of RM55,000,000.

Barring any unforeseen circumstances, the proposal is expected to be completed in second quarter of 2016.

The carrying amount of the assets described in (i) and (ii) have been reclassified as assets held for sale as disclosed in Note 28.

## 51. MATERIAL LITIGATION

On 26 August 2013, the Company received an order from the Arbitral Tribunal to add the Company as a party to the arbitration proceedings between Dijaya-Malind JV (Mauritius) Limited ("DMML"), Dijaya-Malind Properties (India) Private Limited ("DMPPL") and Starlite Global Enterprise (India) Limited ("SGEIL") ("Order").

The arbitration proceedings was previously instituted by DMML and DMPPL against SGEIL to seek the return of the deposit sum and damages arising from termination of the Deed of Novation cum Joint Development Agreement.

The Company appealed to the City Civil Court of Hyderabad against the Order which was dismissed on 2 June 2014. As our legal counsel opines the Order was erroneous and wrong in law, the Company has filed a further appeal to the High Court of Judicature of Andhra Pradesh and is pending hearing date to be set.

## 52. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31 December 2015 and 31 December 2014.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, loans and borrowings, less cash and bank balances. Capital refers to equity attributable to the equity holders of the Company.

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Borrowings	1,753,442	2,437,968	459,951	548,455
Less: Cash and bank balances	(837,493)	(452,627)	(277,055)	(138,340)
Net debt	915,949	1,985,341	182,896	410,115
Equity attributable to the owners of the parent	3,086,822	2,932,969	2,151,398	2,108,032
Gearing ratio	0.30	0.68	0.09	0.19



**53. SUPPLEMENTARY INFORMATION - BREAKDOWN OF RETAINED EARNINGS/(ACCUMULATED LOSSES) INTO REALISED AND UNREALISED**

The breakdown of the retained earnings/(accumulated losses) of the Group and of the Company as at 31 December 2015 and 31 December 2014 into realised and unrealised profits is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2011 and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

	2015 RM'000	2014 RM'000
<b>Group</b>		
Total retained earnings of the Company and its subsidiaries		
- Realised profits	1,209,627	639,917
- Unrealised profits	84,348	416,238
	1,293,975	1,056,155
Total share of retained earnings from joint ventures		
- Realised profits	103,690	97,138
Total share of retained earnings from associate		
- Realised profits	-	2,352
	1,397,665	1,155,645
Add: Consolidation adjustments	(366,697)	(277,749)
Retained earnings as per financial statements	1,030,968	877,896
	2015 RM'000	2014 RM'000
<b>Company</b>		
Total retained earnings of the Company		
- Realised profits	95,486	33,136
- Unrealised profits	-	20,646
Retained earnings as per financial statements	95,486	53,782

# ANALYSIS OF SHAREHOLDINGS

(AS AT 23 MARCH 2016)

## SHARE CAPITAL

Authorised share capital	: RM3,000,000,000.00
Issued and paid-up share capital	: RM1,447,466,428
Adjusted issued share capital	: RM1,430,224,093 (excluding 17,242,335 treasury shares)
Class of shares	: Ordinary shares of RM1.00 each
Voting rights	: 1 vote per shareholder on a show of hands 1 vote per ordinary share held

## DISTRIBUTION OF SHAREHOLDINGS

Sizes of Shareholdings	No. of Holders	%	Total Shareholdings	%
1 - 99	777	7.11	22,464	0
100 to 1,000	447	4.09	168,169	0.01
1,001 to 10,000	6,757	61.86	21,953,097	1.54
10,001 to 100,000	2,588	23.69	61,507,577	4.30
100,001 to 71,511,203*	352	3.22	1,098,855,574	76.83
71,511,204 and above**	3	0.03	247,717,212	17.32
<b>Total</b>	<b>10,924</b>	<b>100.00</b>	<b>1,430,224,093</b>	<b>100.00</b>

Notes:

\* Less than 5% of the adjusted issued share capital

\*\* 5% and above of the adjusted issued share capital

## SUBSTANTIAL SHAREHOLDERS AS PER THE REGISTER OF SUBSTANTIAL SHAREHOLDERS

(excluding bare trustees)

Names	Direct Interest	No. of Shares Held		%
		%	Deemed Interest	
Tan Sri Dato' Tan Chee Sing	431,996,673	30.20%	597,212,449 <sup>(1)</sup>	41.76
Aliran Firasat Sdn Bhd	302,641,895	21.16%	-	-
Golden Diversity Sdn Bhd	168,143,833	11.76%	-	-
Impeccable Ace Sdn Bhd	126,426,721	8.84%	-	-

Notes:

<sup>(1)</sup> Deemed interested by virtue of his interests in Aliran Firasat Sdn Bhd, Golden Diversity Sdn Bhd and Impeccable Ace Sdn Bhd pursuant to Section 6A of the Companies Act, 1965 ("Act").

## DIRECTORS' SHAREHOLDINGS IN THE COMPANY AS PER THE REGISTER OF DIRECTORS' SHAREHOLDINGS

Names	Direct Interest	No. of Shares Held		%
		%	Deemed Interest	
Dato' Yau Kok Seng	4,659,800	0.33	-	-

### THIRTY LARGEST REGISTERED SHAREHOLDERS ACCORDING TO THE RECORD OF DEPOSITORS

(Without aggregating the securities from different securities account belonging to the same depositor)

No.	Names of Shareholders	No. of Shares	%
1.	UOBM Nominees (Tempatan) Sdn Bhd United Overseas Bank Nominees (Pte) Ltd for Tan Chee Sing	87,118,000	6.09
2.	RHB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Impeccable Ace Sdn Bhd	82,524,212	5.77
3.	Scotia Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Aliran Firasat Sdn Bhd	78,075,000	5.46
4.	RHB Nominees (Tempatan) Sdn Bhd Bank of China (Malaysia) Berhad Pledged Securities Account for Aliran Firasat Sdn Bhd	69,700,610	4.87
5.	Tan Chee Sing	69,638,521	4.87
6.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Chee Sing	54,543,600	3.81
7.	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Aliran Firasat Sdn Bhd (001)	53,689,000	3.75
8.	Amsec Nominees (Tempatan) Sdn Bhd Pledged Securities Account – AmBank (M) Berhad for Aliran Firasat Sdn Bhd	43,559,000	3.05
9.	Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Chee Sing (8118939)	41,227,750	2.88
10.	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Aliran Firasat Sdn Bhd	39,000,000	2.73
11.	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Chee Sing (021)	34,883,500	2.44
12.	CIMB Group Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Chee Sing, Dato (1835 ANSA)	33,499,709	2.34
13.	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Golden Diversity Sdn Bhd	32,300,000	2.26
14.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Enhance Summer Sdn Bhd	30,959,800	2.16
15.	CIMB Group Nominees (Tempatan) Sdn Bhd Pledged Securities Account – DBS Bank Ltd for Tan Chee Sing (SG1300296741)	29,377,000	2.05
16.	Amsec Nominees (Tempatan) Sdn Bhd Pledged Securities Account – AmBank (M) Berhad for Impeccable Ace Sdn Bhd	25,780,000	1.80
17.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Golden Diversity Sdn Bhd (51405769502A)	25,000,000	1.75
18.	CIMSEC Nominees (Tempatan) Sdn Bhd Prestigious Century Sdn Bhd	24,435,496	1.71
19.	ABB Nominee (Tempatan) Sdn Bhd Pledged Securities Account for Tan Chee Sing (DT's OD3)	24,419,243	1.71
20.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Golden Diversity Sdn Bhd	24,312,000	1.70
21.	RHB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Golden Diversity Sdn Bhd	22,599,865	1.58
22.	ABB Nominee (Tempatan) Sdn Bhd Pledged Securities Account for Golden Diversity Sdn Bhd (DT's OD3)	19,698,357	1.38
23.	CIMB Group Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Golden Diversity Sdn Bhd (CBM & EDG)	18,588,550	1.30
24.	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Aliran Firasat Sdn Bhd	17,727,500	1.24
25.	Malaysia Nominees (Tempatan) Sendirian Berhad Pledged Securities Account for Vincent Tan Chee Yioun (00-33029-016)	17,524,900	1.23
26.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Golden Diversity Sdn Bhd (41405751840A)	17,127,812	1.20
27.	CIMSEC Nominees (Tempatan) Sdn Bhd CIMB Bank For Lim Wee Chai (PBCL-0G0025)	15,195,000	1.06
28.	Lai Ming Chun @ Lai Poh Lin	15,000,000	1.05
29.	CIMB Group Nominees (Asing) Sdn Bhd Pledged Securities Account – DBS Bank Ltd for Gan Cheong or @ Ngan Chong Hoo (SG1100169825)	12,452,201	0.87
30.	Maybank Securities Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Reka Antika Sdn Bhd (Margin)	10,412,632	0.73
<b>Total</b>		<b>1,070,369,258</b>	<b>74.84</b>



# ANALYSIS OF WARRANT HOLDINGS

(AS AT 23 MARCH 2016)

## WARRANT 2009/2019

No. of warrants issued : 160,707,498  
No. of warrants outstanding : 153,557,696  
Exercise price of the warrants : RM1.00 each  
Expiry date of the warrants : 8 December 2019

## DISTRIBUTION OF WARRANT HOLDINGS

Sizes of Warrant Holdings	No. of Warrant Holders	%	No. of Warrants	%
1 – 99 warrants	364	13.81	18,652	0.01
100 – 1,000 warrants	587	22.28	390,140	0.25
1,001 – 10,000 warrants	1,056	40.08	4,214,025	2.74
10,001 – 100,000 warrants	505	19.17	18,139,916	11.82
100,001 – 7,677,883 warrants*	120	4.55	60,324,489	39.29
7,677,884 warrants and above**	3	0.11	70,470,474	45.89
<b>Total</b>	<b>2,635</b>	<b>100.00</b>	<b>153,557,696</b>	<b>100.00</b>

Notes:

\* Less than 5% of the total warrants in issue

\*\* 5% and above of the total warrants in issue

## THIRTY LARGEST WARRANT HOLDERS ACCORDING TO THE RECORD OF DEPOSITORS

(Without aggregating the securities from different securities account belonging to the same Depositor)

No.	Names of Warrant Holders	No. of Warrants	%
1.	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Chee Sing (021)	46,617,901	30.36
2.	Amsec Nominees (Tempatan) Sdn Bhd Impeccable Ace Sdn Bhd	15,636,917	10.18
3.	Maybank Nominees (Asing) Sdn Bhd Pledged Securities Account for San Tuan Sam	8,215,656	5.35
4.	UOBM Nominees (Asing) Sdn Bhd United Overseas Bank Nominees (Pte) Ltd for Fortune First Limited	5,717,921	3.72
5.	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Golden Diversity Sdn Bhd	5,200,000	3.39
6.	Tng Kee Meng	4,360,000	2.84
7.	CIMB Group Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Golden Diversity Sdn Bhd (CBM & EDG)	3,899,700	2.54
8.	UOBM Nominees (Asing) Sdn Bhd United Overseas Bank Nominees (Pte) Ltd for Novel Glory Investment Limited	3,715,000	2.42
9.	Goh Cheah Hong	2,487,892	1.62
10.	Amsec Nominees (Tempatan) Sdn Bhd Pledged Securities Account – Ambank (M) Berhad for Tan Chee Sing	2,476,000	1.61
11.	Ng Cheek What	1,303,400	0.85
12.	RHB Capital Nominees (Tempatan) Sdn Bhd Silvercheers Sdn Bhd	1,199,900	0.78
13.	Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ong Siew Eng @ Ong Chai (8040800)	1,073,700	0.70
14.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Shum Thin Woon	850,000	0.55

No.	Names of Warrant Holders	No. of Warrants	%
15.	Eng Kaa Chee	815,842	0.53
16.	Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ng Ah Meng (6000048)	739,700	0.48
17.	Choong Yoke Lee	727,141	0.47
18.	Ng Cheek What	681,300	0.44
19.	Law Sook Kuan	675,933	0.44
20.	Goh Vin Cci	670,000	0.44
21.	Yeoh Keat Chuan	669,100	0.44
22.	Tang Kee Hoon	620,000	0.40
23.	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lee Poh Kwee (551004)	603,640	0.39
24.	Low Bee Keng	600,000	0.39
25.	Tey Yee Yee	588,846	0.38
26.	JF Apex Nominees (Asing) Sdn Bhd Exempt An for CIMB Securities (Singapore) Pte Ltd (A/C Client)	547,600	0.36
27.	Public Invest Nominees (Asing) Sdn Bhd Exempt An for Phillip Securities Pte Ltd (Clients)	520,220	0.34
28.	Lim Peck Hoon	435,100	0.28
29.	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Goh Cheah Wah (E-Tai)	406,680	0.26
30.	Lim Diang Seng	401,700	0.26
<b>Total</b>		<b>112,456,789</b>	<b>73.21</b>

# LIST OF PROPERTIES

AS AT 31 DECEMBER 2015

Title Reference	Purpose/ Existing Use	Tenure	Year of Acquisition/ Year of Completion*	Approx. Age of Building (Years)	Land Area Approx (acres)	Built-up Area/ Net Lettable Area (sq ft)	Fair value/ Net Book Value @ 31 Dec 2015 (RM'Million)	Revaluation Value (RM' Million)	Date of Revaluation
<b>ADVENT NEXUS SDN. BHD.</b>									
Geran 5826, Lot 474, Seksyen 19, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan	Hotel	Freehold	2012	4.5	0.12	107,519	44.43	54.00	Jul-12
<b>DAYA PETALING SDN. BHD.</b>									
PN 15978, Lot 102 Seksyen 27, Town of Petaling Jaya, District of Petaling, Selangor	Intan Square (8-Storey Commercial Building)	Leasehold (99 years) expiring on 19.11.2102	2012	6	0.49	41,622	27.00	27.00	Jan-16
<b>SAPPHIRE INDEX SDN. BHD.</b>									
HSD39242, PT41267, Mukim Tanjung Duabelas, Daerah Kuala Langat	Land under cosntruction	Leasehold (99 years) expiring on 09.11.2110	2014	-	41.10	-	16.82	90.00	Jul-15
HSD39241, PT41266, Mukim Tanjung Duabelas, Daerah Kuala Langat	Land under cosntruction	Leasehold (99 years) expiring on 09.11.2110	2014	-	34.44	-	14.21	76.00	Jul-15
HSD39252 PT41285,HSD39263 PT41303,HSD39264 PT41305,HSD39266 PT41308,HSD39265 PT41306,HSD39235 PT41255,HSD39272 PT41336,HSD39243 PT41269,HSD39246 PT41274,HSD39247 PT41275,HSD39248 PT41277,HSD39249 PT41278,HSD39251 PT41284,HSD39253 PT41290,HSD39254 PT41291,HSD39270 PT41330,HSD39239 PT41263,HSD39240 PT41265,HSD39238 PT41262,HSD39234 PT41253,HSD39275 PT41339,HSD39236 PT41258,HSD39273 PT41337,HSD39274 PT41338 Mukim Tanjung Duabelas, Daerah Kuala Langat	Land held for development	Leasehold (99 years) expiring on 09.11.2110	2014	-	364.37	-	381.11	-	-
<b>TROPICANA CHERAS SDN. BHD.</b>									
HSD 152262 PT56738, Mukim Cheras, Ulu Langat, Selangor	Land under construction	Freehold	2008	-	1.04	-	1.43	-	-
PT56919, Mukim Cheras, Ulu Langat, Selangor	Land under construction	Freehold	2008	-	1.87	-	2.60	-	-
<b>TROPICANA CITY SDN. BHD.</b>									
HSD 136188 Lot PT8, Bandar Petaling Jaya, Tambahan 1, District Petaling, Negeri Selangor	Land under construction	Freehold	1995	-	1.01	139,211	6.35	-	-
<b>TROPICANA COLISEUM (IPOH) SDN. BHD.</b>									
Lot No.26749S, GRN 144938 (Previously Known As PT 234518, HSD 190863), Town of Ipoh (S), District of Kinta, Perak	Coliseum Square (6 1/2-Storey Commercial Building)	Freehold	2012	5.5	1.31	50,661	23.00	23.00	Jan-16
<b>TROPICANA DANGA BAY RESORT SDN. BHD. (Formerly known as RHYTHM QUEST SDN. BHD.)</b>									
HSD455043 PTB21345 & HSD455049 PTB21346 Township and District of Johor Bahru, State of Johor	Land held for development	Freehold	2014	-	5.97	0	89.09	-	-



Title Reference	Purpose/ Existing Use	Tenure	Year of Acquisition/ Year of Completion*	Approx. Age of Building (Years)	Land Area Approx (acres)	Built-up Area/ Net Lettable Area (sq ft)	Fair value/ Net Book Value @ 31 Dec 2015 (RM' Million)	Revaluation Value (RM' Million)	Date of Revaluation
<b>TROPICANA DANGA BAY SDN. BHD.</b>									
H.S.(D) 471884 PT 22902, Bandar Johor Bahru, Daerah Johor Bahru, Negeri Johor	Land under construction	Freehold	2010	-	4.01	-	33.14	-	-
H.S.(D) 471884 PT 22902, Bandar Johor Bahru, Daerah Johor Bahru, Negeri Johor	Land held for development	Freehold	2010	-	20.58	-	178.47	-	-
H.S.(D) 471884 PT 22902, Bandar Johor Bahru, Daerah Johor Bahru, Negeri Johor	Land held for investment	Freehold	2010	-	6.68	-	57.47	-	-
<b>TROPICANA DANGA LAGOON SDN. BHD.</b>									
Lot 3432, 3433, 3434, 3435, 3440, 3441, 3442, 3443, 3445, 3446 and 3447, Mukim Pulau, Dearah Johor Bahru, Negeri Johor	Land held for development	Leasehold (999 years) expiring on 17/01/2911	2012	-	55.07	-	108.72	-	-
PM 134 Lot 44998, Mukim Pulau, Dearah Johor Bahru, Negeri Johor	Land held for development	Leasehold (99 years) expiring on 5/01/2091	2015	-	1.27	-	11.86	-	-
<b>TROPICANA DESA MENTARI SDN. BHD.</b>									
GM800 Lot313, GM801 Lot321, GM802-806 Lot324-328, GM786 Lot337, GM808 Lot339, GM787 Lot340, GM809-810 Lot342-343, GRN436669 Lot795, GRN105314 Lot797, GM1199-1202 Lot65678-65681, Mukim Pulau, Daerah Johor Bahru, Negeri Johor	Land held for development	Freehold	2014	-	256.54	-	385.30	-	-
<b>TROPICANA DEVELOPMENT (JOHOR BAHRU) SDN. BHD.</b>									
GRN 26977 Lot 4271 ,Bandar Johor Bahru, Daerah Johor Bahru, Negeri Johor	Land held for development	Freehold	1991	-	21.69	-	23.89	-	-
<b>TROPICANA DEVELOPMENT (SABAH) SDN. BHD.</b>									
(i) CL215311658, (ii) CL215311667, (iii) CL215011902 and (iv) CL215010807 (1/2 share), District of Penampang, Sabah	4-Storey Commercial Building	Leasehold (999 years) expiring on (i)&(ii)12.05.2920 (iii)15.10.2915 (iv)05.10.2912	2012	5	3.49	55,127	36.30	36.30	Jan-16
CL215322660 District of Penampang, Sabah	5-Storey Commercial Building	Leasehold (99 years) expiring on 31.12.2080	2012	4.5	1.39	44,207	26.00	26.00	Jan-16
CL215312922 District of Penampang, Sabah	3-Storey Commercial Building	Leasehold (99 years) expiring on 31.12.2070	2012	8	2.68	37,912	25.00	25.00	Jan-16
<b>TROPICANA EDUCATION MANAGEMENT SDN. BHD.</b>									
HS(D) 296471 PT12687 (formerly known as PN 90286 Lot 53742, PN 91907 Lot 53743, PN90198 Lot 53744, PN 90287 Lot 53745, PN 90197 Lot 53746), Pekan Baru Sungai Buloh, Daerah Petaling, Negeri Selangor	Land held for investment	Leasehold (99 years) expiring on 27.09.2106	2010	-	6.07	302,889	170.24	100.00	Jun-13

Title Reference	Purpose/ Existing Use	Tenure	Year of Acquisition/ Year of Completion*	Approx. Age of Building (Years)	Land Area Approx (acres)	Built-up Area/ Net Lettable Area (sq ft)	Fair value/ Net Book Value @ 31 Dec 2015 (RM'Million)	Revaluation Value (RM' Million)	Date of Revaluation
<b>TROPICANA GOLF &amp; COUNTRY RESORT BERHAD</b>									
Tropicana Golf & Country Resort, 47410 Petaling Jaya, Negeri Selangor	Club House	Leasehold (99 years) expiring on 25.10.2090	1994	23	17.42	356,792	56.50	-	-
Tropicana Golf & Country Resort, 47410 Petaling Jaya, Negeri Selangor	Golf Course	Leasehold (99 years) expiring on 25.10.2090	1994	-	220.36	-	35.90	-	-
Lot 89553, No Hakmilik 92831, Mukim Bandar Damansara, Daerah Petaling, Negeri Selangor	Land held for development	Leasehold (99 years) expiring on 04.04.2109	1991	-	1.77	-	0.64	-	-
Lot 946/948, No Hakmilik 15851/15852, Mukim Bandar Damansara, Daerah Petaling, Negeri Selangor	Land held for investment	Leasehold (99 years) expiring on 25.10.2090	1991	-	0.53	-	0.05	-	-
Lot 89556, No Hakmilik 97674, Mukim Bandar Damansara, Daerah Petaling, Negeri Selangor	Land held for development	Leasehold (99 years) expiring on 22.09.2109	1991	-	5.73	-	5.91	-	-
Lot 204, No Hakmilik 30648, Mukim Bandar Damansara, Daerah Petaling, Negeri Selangor	Showcase	Leasehold (99 years) expiring on 25.10.2090	2012*	-	0.89	-	3.91	-	-
<b>TROPICANA HARAPAN SDN. BHD.</b>									
Jalan Harapan, GRN 22702 & 45709, Lot 1 & 4, Seksyen 1, Pekan Sungai Penchala, District of Petaling, Selangor	Land held for development	Freehold	2012	-	2.82	-	13.50	22.00	Mar-12
<b>TROPICANA INDAH SDN. BHD.</b>									
Lot No. 53725 to 53736, Pekan Baru Sungai Buloh, Daerah Petaling, Negeri Selangor	Land under construction	Leasehold (99 years) expiring on 11.11.2101	1994	-	1.75	88,949	0.52	-	-
Geran 79950 Lot 52582, Pekan Baru Sungai Buloh, Daerah Petaling, Negeri Selangor	Land under construction	Leasehold (99 years) expiring on 24.04.2106	1994	-	14.65	3,807,385	3.52	-	-
Geran 79948 Lot 52581, Pekan Baru Sungai Buloh, Daerah Petaling, Negeri Selangor	Showcase	Leasehold (99 years) expiring on 24.04.2106	1994	-	2.95	13,057	1.74	-	-
<b>TROPICANA JAYA SDN. BHD.</b>									
PT 14, HSD 124212, Town of Subang Jaya, District of Petaling, Selangor	Jaya Square (6-Storey Commercial Building)	Leasehold (99 years) expiring on 11.01.2098	2012	9.5	0.70	45,554	20.00	20.00	Jan-16
<b>TROPICANA KAJANG HILL SDN. BHD.</b>									
HSD161503-161791 PT37791-38079, PT38080-38082, Lot 32, Bandar Batu 18, Semenyih Daerah Ulu Langat, Negeri Selangor	Land under construction	Freehold	2012	-	68.45	1,896,249	127.63	-	-
PT38083-38090, Geran 313183 Lot 1258 Bandar Batu 18, Semenyih Daerah Ulu Langat, Negeri Selangor	Land held for development	Freehold	2012	-	62.05	5,660,887	100.37	-	-

Title Reference	Purpose/ Existing Use	Tenure	Year of Acquisition/ Year of Completion*	Approx. Age of Building (Years)	Land Area Approx (acres)	Built-up Area/ Net Lettable Area (sq ft)	Fair value/ Net Book Value @ 31 Dec 2015 (RM'Million)	Revaluation Value (RM' Million)	Date of Revaluation
<b>TROPICANA KEMAYAN DEVELOPMENT SDN. BHD.</b>									
PN 25820-25821, Lot 24131-24132, Pekan Bukit Kepayang, District of Seremban, Negeri Sembilan	Land held for investment	Leasehold (99 years) expiring on 17.04.2095	2012	-	2.00	-	8.33	9.00	Mar-12
<b>TROPICANA KL DEVELOPMENT SDN. BHD.</b>									
Lot 734 Seksyen 57, Bandar Kuala Lumpur. No.25, Jalan Sultan Ismail, 50250 Kuala Lumpur	Land held for development	Freehold	2010	-	0.54	-	53.11	-	-
<b>TROPICANA LAGOON SDN. BHD.</b>									
PM 42 Lot 44996 and PM 43 Lot 44997, Mukim Pulau, Daerah Johor Bahru, Negeri Johor	Land held for development	Leasehold (99 years) expiring on 01/02/2091	2013	-	2.78	-	3.53	-	-
<b>TROPICANA LAHAD DATU DEVELOPMENT SDN. BHD.</b>									
CL115355612, District of Lahad Datu, Sabah	Land held for investment	Leasehold (999 years) expiring on 08.05.2933	2012	-	1.25	-	3.75	3.75	Jan-16
<b>TROPICANA LAND (SANDAKAN) SDN. BHD.</b>									
CL075318697, District of Sandakan, Sabah	Land held for investment	Leasehold (999 years) expiring on 09.07.2887	2012	-	1.52	-	3.50	3.50	Mar-12
<b>TROPICANA LAND SDN. BHD.</b>									
HSD 330120 PTD 123308 and GRN 422076 Lot 85652, Mukim Pulau, Daerah Johor Bahru, Negeri Johor	Land held for development	Freehold	2012	-	4.41	-	18.49	-	-
<b>TROPICANA LIDO DEVELOPMENT SDN. BHD.</b>									
(i) CL215377763, (ii) CL215173649, (iii) CL215173658, (iv) CL215278710 and (v) CL215278701, District of Penampang, Sabah	Land held for investment	Leasehold (99 years) expiring on 12.09.2060	2012	-	1.67	-	11.72	11.72	Jan-16
<b>TROPICANA MACALISTER AVENUE (PENANG) SDN. BHD.</b>									
(i) Geran 35440 Lot 914, (ii) Geran 35443 Lot 918, (iii) Geran 35441, Lot 915 and (iv) Geran 5670 Lot 916, Seksyen 13 (Jalan Macalister), Town of Georgetown, District of Timor Laut, Pulau Pinang	Land held for development	Freehold	2012	-	2.09	-	43.00	41.50	Mar-12
<b>TROPICANA METRO SDN. BHD.</b>									
GM 17092/11455, Lot 82748/10788 Section 31, Town of Klang, District of Klang, Selangor	4-Storey Commercial Building	Freehold	2012	19	2.15	60,357	22.00	22.00	Jan-16
<b>TROPICANA METROPARK SDN. BHD.</b>									
HS (D) 287218-287221, 287224-287227, PT19, PT21-PT22, PT26-PT28, Pekan Country Heights, Petaling, Selangor	Land held for development	Freehold	2011	-	39.17	-	324.97	-	-
HS (D) 287219 PT20, HS (D) 287222 PT23, HS (D) 287223 PT24, HS (D) 287224 PT25, Pekan Country Heights, Petaling, Selangor	Land under construction	Freehold	2011	-	20.59	-	92.22	-	-
HS (D) 287218, PT19, Pekan Country Heights, Petaling, Selangor	Showcase	Freehold	2012*	-	4.39	22,098	8.56	-	-



Title Reference	Purpose/ Existing Use	Tenure	Year of Acquisition/ Year of Completion*	Approx. Age of Building (Years)	Land Area Approx (acres)	Built-up Area/ Net Lettable Area (sq ft)	Fair value/ Net Book Value @ 31 Dec 2015 (RM'Million)	Revaluation Value (RM' Million)	Date of Revaluation
<b>TROPICANA PLAZA SDN. BHD.</b>									
GRN 74958, Lot 11672, Seksyen 67, (Jalan Tun Razak), Town and District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur	Dijaya Plaza (19-Storey Commercial Building)	Freehold	2012	4	0.91	149,025	130.00	130.00	Jan-16
<b>TROPICANA PROPERTIES (KENINGAU) SDN. BHD.</b>									
CL135366344, District of Keningau, Sabah	2-Storey Commercial Building	Leasehold (999 years) expiring on 03.01.2917	2012	18.5	2.00	11,668	6.90	6.90	Jan-16
<b>TROPICANA PROPERTIES (KLANG) SDN. BHD.</b>									
PT 4215 Seksyen 23, Town of Klang, District of Klang, Selangor	Casa Klang (4-Storey Commercial Building)	Freehold	2012	4	1.52	68,522	30.00	30.00	Jan-16
<b>TROPICANA PROPERTIES (SABAH) SDN. BHD.</b>									
CL015106377, District of Kota Kinabalu, Sabah	3-Storey Commercial Building	Leasehold (999 years) expiring on 30.12.2914	2012	4	0.23	17,709	9.00	9.00	Jan-16
(i) TL017511830, (ii) TL017511849, and (iii) CL015105674, (iv) CL015138860, District of Kota Kinabalu, Sabah	4-Storey Commercial Building	Leasehold (999 years) expiring on (i),(ii) & (iii)31.12.2913 (iv)31.12.2908	2012	5	0.86	27,288	14.00	14.00	Jan-16
CL015562348, District of Kota Kinabalu, Sabah	4-Storey Commercial Building	Leasehold (999 years) expiring on 26.08.2916	2012	18	0.45	17,137	9.00	9.00	Jan-16
<b>TROPICANA PROPERTIES (SANDAKAN) SDN. BHD.</b>									
(i) Suburban Lease 077902179, (ii) TL077555081 and (iii) TL077555161, District of Sandakan, Sabah	3-Storey Commercial Building	Leasehold (999 years) expiring on (i)01.04.2893 (ii)&(iii) 31.12.2910	2012	5	1.88	32,637	12.80	12.80	Jan-16
<b>TROPICANA RAHANG DEVELOPMENT SDN. BHD.</b>									
GRN 233167, Lot 23858, Town and District of Seremban, Negeri Sembilan	Land held for investment	Freehold	2012	-	2.42	-	4.80	4.84	Mar-12
<b>TROPICANA RESIDENCES SDN. BHD.</b>									
Geran 51952, Lot 194, Seksyen 58, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan	Land under construction	Freehold	2010	-	0.52	-	75.77	50.82	Nov-09
Geran 51952, Lot 194, Seksyen 58, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan	Land held for investment	Freehold	2010	-	0.76	-	125.80	74.98	Nov-09
<b>TROPICANA SERDANG SURIA SDN. BHD.</b>									
PT 1789 and PT 1791, Persiaran Serdang Perdana, Taman Serdang Perdana Sek 4, 43300 Seri Kembangan	Land under construction	Leasehold (99 years) expiring on 21.06.2108	1996	-	5.31	-	1.00	-	-

Title Reference	Purpose/ Existing Use	Tenure	Year of Acquisition/ Year of Completion*	Approx. Age of Building (Years)	Land Area Approx (acres)	Built-up Area/ Net Lettable Area (sq ft)	Fair value/ Net Book Value @ 31 Dec 2015 (RM'Million)	Revaluation Value (RM' Million)	Date of Revaluation
<b>TROPICANA TAWAU DEVELOPMENT SDN. BHD.</b>									
(i) TL107504138, (ii) TL107504147, (iii) TL107504156, (iv) TL107504165 and (v) TL107504174, District Tawau, Sabah	Land held for investment	Leasehold (999 years) expiring on 31.12.2895	2012	-	0.80	-	7.00	7.00	Jan-16
<b>TROPICANA WISMA TT SDN. BHD.</b>									
PN 74910, Lot 62141, Town of Sunway, District of Petaling, Selangor	Wisma TT (7-Storey Commercial Building)	Leasehold (99 years) expiring on 29.08.2104	2012	5	1.83	64,941	28.00	28.00	Jan-16
<b>TROPICANA IVORY SDN. BHD.^</b>									
Lot 20264 GRN 159981, Mukim 13, Timur Laut, Pulau Pinang	Land held for development	Freehold	2012	-	10.55	-	110.49	-	-
Parcel 2B-PT 3984, H.S.D 18420, Mukim 13, Timur Laut, Pulau Pinang	Land held for development	Freehold	2013	-	3.74	-	39.14	-	-
Parcel 3A- PT 4011, H.S.D 18778, Mukim 13, Timur Laut, Pulau Pinang	Land held for development	Freehold	2014	-	6.44	-	67.31	-	-
Parcel 3B- PT 4012- H.S.D 18777, Mukim 13, Timur Laut, Pulau Pinang	Land held for development	Freehold	2014	-	3.53	-	36.90	-	-
Parcel 3C - PT 4013- H.S.D 18779, Mukim 13, Timur Laut, Pulau Pinang	Land held for development	Freehold	2014	-	8.10	-	84.70	-	-
Parcel 4A PT 4039 H.S.D 18895, Mukim 13, Timur Laut, Pulau Pinang	Land held for development	Freehold	2015	-	17.84	-	186.48	-	-
Parcel 4B, PT4038 H.S.D 18894, Mukim 13, Timur Laut, Pulau Pinang	Land held for development	Freehold	2015	-	4.22	-	44.14	-	-
<b>TROPICANA DANGA COVE SDN. BHD.^</b>									
261 plots on Mukim Plentong, Daerah Johor Bahru, Negeri Johor	Land under construction	Freehold	2011	-	19.58	852,905	17.67	-	-
Part of 1378 Plots on Mukim Plentong, Daerah Johor Bahru, Negeri Johor	Land held for development	Freehold	2011 & 2012 & 2013 & 2015	-	191.17	8,327,365	197.33	-	-
Part of 1378 Plots on Mukim Plentong, Daerah Johor Bahru, Negeri Johor	Land held for investment	Freehold	2011	-	18.76	817,186	237.00	237.00	Dec-15

^^ Joint venture developments

# CORPORATE DIRECTORY

## MAIN CONTACT NUMBERS

### Head Office

Tel : +603 7710 1018

### Customer loyalty & Services

Tel : +603 7728 3018

### Property Sales Hotline

Tel : +603 7728 2018

## CORPORATE OFFICES

### TROPICANA CORPORATION BERHAD

#### Head Office

Level 7, 9, 10-12

Tropicana City Office Tower

No. 3, Jalan SS20/27

47400 Petaling Jaya

Selangor Darul Ehsan, Malaysia

Tel : +603 7710 1818

Fax : +603 7725 3035

Email : corpcomm@tropicana.com.my

Website : www.tropicana.com.my

Office hours: 9am - 6pm (Monday - Friday)

Closed (Saturday & Sunday)

### TROPICANA GOLF & COUNTRY RESORT BERHAD

#### Clubhouse

Jalan Kelab Tropicana

Tropicana Golf & Country Resort

47410 Petaling Jaya

Selangor Darul Ehsan, Malaysia

Tel : +603 7804 8888

Fax : +603 7804 3688

Email : gm@tropicana.com.my

Website : www.tropicana.com.my

Office hours: 9am - 6pm (Monday - Friday)

9am - 1pm (Saturday) Closed (Sunday)

## PROPERTY GALLERY & SHOW UNITS

### TROPICANA PROPERTY GALLERY

#### Tropicana City Mall

Lot G-28A, Ground Floor

Tropicana City Mall

No. 3, Jalan SS20/27

47400 Petaling Jaya

Selangor Darul Ehsan

Tel : 03-7713 8888

Email : enquiry@tropicana.com.my

Operating hours : 10am - 10pm (Monday - Sunday)

### TROPICANA AMAN

#### Property Sales Gallery

Tropicana Aman

No 2, Persiaran Aman Perdana 3

Bandar Tropicana Aman

42500 Telok Panglima Garang,

Selangor Darul Ehsan

Tel : 1700 81 8868

Email : enquiry@tropicana.com.my

Website : www.tropicanaaman.com.my

Operating hours : 9.30am - 6.30pm

(Monday - Sunday)

### TROPICANA METROPARK (SUBANG)

#### Property Sales Gallery & Show Unit

Lot 38515, Jalan Delima 1/1

Taman Perindustrian Teknologi Tinggi Subang

40000 Subang, Selangor Darul Ehsan

Tel : +603 5636 6888 / +603 5637 3018

Email : enquiry@tropicana.com.my

Website : www.tropicanametropark.com.my

Operating hours : 9.30am - 6.30pm

(Monday - Sunday)

### TROPICANA 218 MACALISTER (PENANG)

#### Property Gallery

16, Jalan Anson

10400 Penang

Tel : +604 2105 888

Email : enquiry@tropicana.com.my

Website : www.tropicana218macalister.com.my

Operating hours : 9.30am - 6.30pm

(Monday - Sunday)

### TROPICANA LANDMARK (SABAH)

#### Property Gallery & Show Unit

Level 4, Penampang Point

Mile 4, Jalan Penampang

Kota Kinabalu

88200 Kota Kinabalu

Tel : +608 8723 322

Email : enquiry@tropicana.com.my

Website : www.tropicanalandmark.com.my

Operating hours : 9.30am - 6.30pm

(Monday - Sunday)

### PENANG WORLDCITY

#### Property Gallery

Persiaran Bayan Indah

11900 Bayan Lepas

Penang

Tel : +604 6596 888

Fax : +604 6553 888

Email : talk2us@penangworldcity.com

Website : www.penangworldcity.com

Operating hours : Monday - Friday : 8.30am - 6pm

Saturday & Sunday : 11am - 6pm

### TROPICANA DANGA BAY/ TROPEZ RESIDENCES/ BORA RESIDENCES (JOHOR)

#### Property Gallery & Show unit

Lot PTB 22902, Teluk Danga

Jalan Persiaran Abu Bakar Sultan

80200 Johor Bahru, Johor

Tel : +607 234 1585

Email : enquiry@tropicana.com.my

Website : www.tropicanaadangabay.com.my

Operating hours : 9.30am - 6.30pm

(Monday - Sunday)

### TROPICANA DANGA COVE/OASIS

#### Property Gallery

Lot PTD 28845-28892

Taman Cahaya Kota Putri

Plentong, Masai,

Malaysia

Tel : +607 382 3355

Website : www.tropicanaadangacove.com

Operating hours : 10am - 6pm (Monday - Sunday)



**TROPICANA HEIGHTS (KAJANG)****Property Gallery & Show Unit**

Tropicana Heights Show Village  
Off Jalan P6/2,  
43500 Semenyih, Kajang  
Selangor Darul Ehsan, Malaysia  
Tel : +603 7453 2328 / +6016 239 7565  
Email : enquiry@tropicanaacorp.com.my  
Website: www.tropicanaheights.com.my  
Operating hours : 9.30am - 6.30pm  
(Monday - Sunday)

**TROPICANA GARDENS (KOTA DAMANSARA)****Property Gallery & Show Unit**

Lot 52581, Jalan PJU 3/21  
Tropicana Indah Resort Homes  
Kota Damansara  
47410 Petaling Jaya  
Selangor Darul Ehsan, Malaysia  
Tel : +603 7880 0989  
Email : enquiry@tropicanaacorp.com.my  
Website: www.tropicanagardens.com.my  
Operating hours : 9.30am - 6.30pm  
(Monday - Sunday)

**TROPICANA PROPERTY GALLERY (SINGAPORE)**

01-16 TripleOne Somerset  
111 Somerset Road  
238164 Singapore  
Tel : +65 6612 8389  
Fax : +65 6612 8559  
Email : sgssales@tropicanaacorp.com.my  
Website: www.tropicanaacorp.com.my  
Operating hours : 10am - 10pm (Monday - Sunday  
& Public Holiday)

**PROPERTY MANAGEMENT OFFICE****TROPICANA MANAGEMENT SERVICES SDN. BHD. (TMS)****Property Management Office**

Jalan Kelab Tropicana  
Tropicana Golf & Country Resort  
47410 Petaling Jaya  
Selangor Darul Ehsan, Malaysia  
Tel : +603 7804 8888 ext 557/513  
Fax : +603 7806 5044  
Email : tms@tropicanaacorp.com  
Office hours: 9am - 6pm (Monday - Friday)  
9am - 1pm (Saturday) Closed (Sunday)

**TROPICANA GRANDE****Property Management Office**

Level 1, Management Office  
Block A, Tropicana Grande Condominiums  
No.3 Persiaran Tropicana  
47410 Petaling Jaya  
Selangor Darul Ehsan, Malaysia  
Tel : +603 7610 0965  
Fax : +603 7610 0968  
Email : tropicanagrande@tropicanaacorp.com.my  
Office hours: 9am - 6pm (Monday - Friday)  
9am - 1pm (Saturday) Closed (Sunday)

**TROPICANA INDAH SDN. BHD.****Property Management Office**

Jalan Kelab Tropicana  
Tropicana Golf & Country Resort  
47410 Petaling Jaya  
Selangor Darul Ehsan, Malaysia  
Tel : +603 7804 8888  
Fax : +603 7805 5044  
Email : tisb@tropicanaacorp.com.my  
Office hours: 9am - 6pm (Monday - Friday)  
9am - 1pm (Saturday) Closed (Sunday)

**CASA TROPICANA CONDOMINIUMS****Property Management Office**

B-5-17, Block B  
Casa Tropicana  
No.5 Jalan Persiaran Tropicana PJU 3  
Tropicana Golf & Country Resort  
47410 Petaling Jaya  
Selangor Darul Ehsan, Malaysia  
Tel : +603 7883 0982  
Fax : +603 7883 0292  
Email : casatropicana@tropicanaacorp.com.my  
Office hours: 9am - 5.30pm (Monday - Friday)  
9am - 1pm (Saturday) Closed (Sunday)

**TROPICANA DEVELOPMENT (JOHOR BAHRU) SDN. BHD.****Management Office**

Level 15, Menara MSC Cyberport  
No.5, Jalan Bukit Meldrum,  
80300 Johor Bahru, Johor Darul Takzim, Malaysia  
Tel : +607 2266 888  
Fax : +607 2266 288  
Office hours: 9am - 6pm (Monday - Friday)  
Closed (Saturday & Sunday)

**TROPICANA DANGA BAY SDN. BHD. - TROPEZ****Tropez Residences Management Office**

#G-03, Blok B, Tropez Residen,  
Persiaran Danga Perdana,  
80200 Johor Bahru, Johor  
Tel : +607 3005 000  
Email : enquiry@tropicanaacorp.com.my  
Operating hours : 9am - 5.30pm (Monday - Sunday)  
9am - 1pm (Saturday)

**TROPICANA CHERAS****Property Management Office**

For more information, please contact Sales & Marketing Department at:  
No.6, Jalan Tropicana Cheras 1,  
Taman Tropicana Cheras,  
43000 Kajang, Selangor.  
Tel : +6013 2020746  
Email : tropicanacheras@tropicanaacorp.com.my  
Office hours: 9am - 5.30pm (Monday - Friday)  
9am - 1pm (Saturday) Closed (Sunday)

# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the 37<sup>th</sup> Annual General Meeting of Tropicana Corporation Berhad (“**Tropicana**” or “**the Company**”) will be held at Ballroom 1, Tropicana Golf & Country Resort, Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Thursday, 26 May 2016 at 11.00 a.m. for the following purposes:-

## AS ORDINARY BUSINESSES

- |     |   |                           |
|-----|---|---------------------------|
| 1.  | To receive the Audited Financial Statements for the year ended 31 December 2015 together with the Reports of the Directors and Auditors thereon.  | Please see Note (i) below |
| 2.  | To re-elect the following Directors who retire by rotation in accordance with Article 97 of the Company’s Articles of Association and, being eligible, have offered themselves for re-election:-  |                           |
| 2.1 | Dato’ Yau Kok Seng  | Ordinary Resolution 1     |
| 2.2 | Mr Dillon Tan Yong Chin   | Ordinary Resolution 2     |
| 3.  | To re-elect the following Directors who retire by rotation in accordance with Article 103 of the Company’s Articles of Association and, being eligible, have offered themselves for re-election:- |                           |
| 3.1 | Mr Dion Tan Yong Chien  | Ordinary Resolution 3     |
| 3.2 | Datuk Seri Mohamad Norza Bin Zakaria  | Ordinary Resolution 4     |
| 3.3 | Tan Sri Othman Bin Abd Razak  | Ordinary Resolution 5     |
| 4.  | To approve the payment of Directors’ fees amounting to RM873,675 in respect of the financial year ended 31 December 2015.   | Ordinary Resolution 6     |
| 5.  | To re-appoint Messrs Ernst & Young as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration.                   | Ordinary Resolution 7     |

## AS SPECIAL BUSINESSES

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without modifications:-

- |    |   |                       |
|----|---|-----------------------|
| 6. | <b>PROPOSED AUTHORITY FOR DIRECTORS TO ISSUE SHARES PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965</b> | Ordinary Resolution 8 |
|----|---|-----------------------|

“**RESOLVED THAT** pursuant to Section 132D of the Companies Act, 1965 and subject always to the Company’s Articles of Association, the Directors of the Company be and are hereby authorised to issue shares in the Company from time to time to such person(s) and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed 10% of the nominal value of the issued and paid-up capital (excluding treasury shares) of the Company for the time being and that the Directors be and are hereby also empowered to obtain the approval for the listing of and quotation for the additional shares so issued, on Bursa Malaysia Securities Berhad and that such approval shall continue to be in force until:-

- (a) the conclusion of the Annual General Meeting commencing next after the date on which this approval was given; or
- (b) the expiration of the period within which the next Annual General Meeting after that date is required by law to be held,

whichever is the earlier; but any approval may be previously revoked or varied by the Company in general meeting.”

7. **PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES**

Ordinary Resolution 9

**“RESOLVED THAT** subject to Section 67A of the Companies Act, 1965 (“Act”) and Part IIIA of the Companies Regulations, 1966, the provisions of the Company’s Articles of Association, the requirements of Bursa Malaysia Securities Berhad and other relevant authority, the Directors of the Company be and are hereby authorised to make purchases of ordinary shares of RM1.00 each in the Company through Bursa Malaysia Securities Berhad as may be determined by the Directors of the Company from time to time provided that:-

- (a) the aggregate number of shares, which may be purchased pursuant to this resolution, does not exceed 10% of the issued and paid-up share capital of the Company at the time of purchase and further, provided that the Company continues to maintain a shareholding spread that is in compliance with the requirements of Bursa Malaysia Securities Berhad after the share purchase;
- (b) the maximum funds to be allocated by the Company for the purpose of purchasing its own shares shall not exceed the total retained profits and share premium account of the Company at the time of purchase;
- (c) upon the completion of the purchases of the shares of the Company, the Directors of the Company be authorised to deal with those shares in the following manner:-
  - (i) cancel the shares so purchased; or
  - (ii) retain the shares so purchased as treasury shares; or
  - (iii) retain part of the shares so purchased as treasury shares and cancel the remainder; or
  - (iv) distribute the treasury shares as dividend to shareholders and/or resell them on Bursa Malaysia Securities Berhad and/or cancel all or part of them; or

in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of Bursa Malaysia Securities Berhad and any other relevant authority for the time being in force;

- (d) the authority conferred by this resolution will commence immediately after the conclusion of this Annual General Meeting and will continue to be in force until:-
  - (i) the conclusion of the next Annual General Meeting of the Company, unless the authority is renewed, either conditionally or unconditionally, by ordinary resolution passed at that meeting; or
  - (ii) the expiration of the period within which the next Annual General Meeting of the Company is required by law to be held; or
  - (iii) revoked or varied by ordinary resolution of the shareholders of the Company in a general meeting;

whichever occurs first,

**AND THAT** the Directors of the Company be authorised to take all such steps as are necessary or expedient to implement or to give effect to the purchases of the shares of the Company with full power to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed or permitted by the relevant authorities and/or deem fit by the Directors in the best interest of the Company.”

8. **PROPOSED RENEWAL OF AUTHORITY TO ALLOT AND ISSUE ORDINARY SHARES OF RM1.00 EACH IN TROPICANA (“TROPICANA SHARES”) FOR THE PURPOSE OF TROPICANA’S DIVIDEND REINVESTMENT SCHEME THAT PROVIDES SHAREHOLDERS OF TROPICANA THE OPTION TO ELECT TO REINVEST THEIR CASH DIVIDEND ENTITLEMENTS IN NEW ORDINARY SHARES OF RM1.00 EACH IN TROPICANA**

Ordinary Resolution 10

“**RESOLVED THAT** pursuant to the Dividend Reinvestment Scheme (“**DRS**”) as approved by the shareholders of the Company at the 34<sup>th</sup> Annual General Meeting of the Company held on 28 June 2013 and renewed in subsequent annual general meetings, approval be and is hereby given to the Company to allot and issue such number of new Tropicana Shares for the DRS from time to time as may be required to be allotted and issued pursuant to the DRS until the conclusion of the next Annual General Meeting upon such terms and conditions and to such persons as the Directors, may in their absolute discretion, deem fit and in the best interest of the Company PROVIDED THAT the issue price of the said new Tropicana Shares shall be fixed by the Directors at a discount of not more than ten percent (10%) to the five (5)-day volume weighted average market price (“**VWAMP**”) of Tropicana Shares immediately prior to the price-fixing date, of which the VWAMP shall be adjusted ex-dividend before applying the aforementioned discount in fixing the issue price; and the issue price shall not be less than the par value of Tropicana Shares at the material time.

**AND THAT** the Directors of the Company be and are hereby authorised to do all such acts and enter into all such transactions, arrangements, deeds, undertakings and documents as may be necessary or expedient in order to give full effect to the DRS with full power to assent to any conditions, modifications, variations and/or amendments to the terms of the DRS as may be imposed or agreed to by any relevant authorities or consequent upon the implementation of the said conditions, modifications, variations and/or amendments by the Directors as they may in their absolute discretion deem fit, necessary and/or expedient in the best interest of the Company.

9. To transact any other business for which due notice shall have been given in accordance with the Companies Act, 1965 and the Company’s Articles of Association.

By Order of the Board  
TROPICANA CORPORATION BERHAD (47908-K)

TEH PENG PENG (MAICSA 7021299)  
Company Secretary

Petaling Jaya  
29 April 2016



**Notes:-**

- (i) Section 169 of the Companies Act, 1965 requires the Company to lay the audited financial statements and the reports of the directors and the auditors thereon at its annual general meeting. Article 67 of the Company's Articles of Association specifies that one of the ordinary businesses to be transacted at an annual general meeting of the Company is to consider and to adopt the audited financial statements. As such, this agenda item no. 1 of the notice convening the meeting is not a business which requires a resolution to be put to vote by the shareholders. This agenda item is for discussion and receipt only.
- (ii) For the purpose of determining a member who shall be entitled to attend this 37<sup>th</sup> Annual General Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Article 62(3) of the Company's Articles of Association and Section 34(1) of the Securities Industry (Central Depositories) Act 1991, to issue a General Meeting Record of Depositors as at 19 May 2016. Only a depositor whose name appears on such Record of Depositors shall be entitled to attend the meeting or appoint proxies to attend and/or vote on his/her behalf in the meeting.
- (iii) A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies (subject always to a maximum of two (2) proxies) to attend, speak and vote in his/her stead. A proxy may but need not be a member of the Company and Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company. There is no restriction as to the qualification of the proxy.
- (iv) Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- (v) Where a member of the Company is an exempt authorised nominee (as defined under the Securities Industry (Central Depositories) Act 1991) which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("Omnibus Account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.
- (vi) To be valid, the instrument appointing a proxy or proxies under the hand of the appointer or his/her attorney duly authorised in writing must be completed and deposited at the Company's Registered Office situated at Lot LG-A1, Lower Ground Floor, Tropicana City Mall, No. 3, Jalan SS 20/27, 47400 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than 48 hours before the time set for holding the meeting or at any adjournment thereof.
- (vii) If the appointer is a corporation, the instrument appointing a proxy or proxies must be executed under its seal or under the hand of its duly authorised attorney.

**EXPLANATORY NOTES ON SPECIAL BUSINESSES****Proposed Ordinary Resolution 8**

**Proposed authority for Directors to issue shares pursuant to Section 132D of the Companies Act, 1965**

The general mandate sought by the Company under the proposed Ordinary Resolution 8 is to renew the previous general mandate granted to the Directors at the 36<sup>th</sup> Annual General Meeting held on 18 June 2015 to issue shares pursuant to Section 132D of the Companies Act, 1965. As at the date of this notice, no new shares in the Company were issued under the previous general mandate, which will lapse at the conclusion of the 37<sup>th</sup> Annual General Meeting and hence, no proceeds was raised therefrom.

The proposed Ordinary Resolution 8, if passed, will empower the Directors of the Company to issue and allot not more than 10% of the Company's total issued share capital speedily without having to convene a general meeting. This authority, unless revoked or varied by the Company in general meeting, will expire at the conclusion of the 38<sup>th</sup> Annual General Meeting of the Company.

Instances for which the Company may issue new shares under this general mandate include but not limited to the purpose(s) of complying with public shareholding spread requirements and raising funds through private placement for purposes of working capital requirement and/or allowing the entry of strategic partners.

**Proposed Ordinary Resolution 9****Proposed renewal of authority for the Company to purchase its own shares**

The proposed Ordinary Resolution 9, if passed, will renew the shareholders' mandate for the Company to purchase and/or hold up to 10% of the issued and paid-up share capital of the Company. This authority, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the 38<sup>th</sup> Annual General Meeting.

Further information on this proposal is set out in the Share Buy-Back Statement to Shareholders dated 29 April 2016, which is despatched together with the Company's Annual Report 2015.

**Proposed Ordinary Resolution 10****Proposed renewal of authority to allot and issue ordinary shares of RM1.00 each in Tropicana ("Tropicana Shares") for the purpose of Tropicana's Dividend Reinvestment Scheme ("DRS") that provides shareholders of Tropicana the option to elect to reinvest their cash dividend entitlements in new ordinary shares of RM1.00 each in Tropicana**

The proposed Ordinary Resolution 10, if passed, will empower the Directors of the Company to allot and issue new ordinary shares in the Company in respect of dividends to be declared, if any, under the DRS. This authority, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the 38<sup>th</sup> Annual General Meeting.

**STATEMENT ACCOMPANYING THE NOTICE OF ANNUAL GENERAL MEETING**

Pursuant to paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the notice convening an annual general meeting is to be accompanied by a statement furnishing details of individuals who are standing for election as director. This requirement excludes directors who are standing for re-election.

No individual is standing for election as Director at the 37<sup>th</sup> Annual General Meeting of the Company.



# PROXY FORM



I/We (full name in block capitals)\_\_\_\_\_

NRIC No./Company No.\_\_\_\_\_ CDS Account No.\_\_\_\_\_

of (full address)\_\_\_\_\_

being a member/members of TROPICANA CORPORATION BERHAD hereby appoint (full name as per NRIC in block capitals) \_\_\_\_\_

\_\_\_\_\_ NRIC No.\_\_\_\_\_

of (full address)\_\_\_\_\_

and/or failing him/her,\_\_\_\_\_ NRIC No.\_\_\_\_\_

of (full address)\_\_\_\_\_

\_\_\_\_\_

and/or failing him/her, the Chairman of the meeting as my/our proxy to vote for me/us on my/our behalf at the 37<sup>th</sup> Annual General Meeting of the Company to be held at Ballroom 1, Tropicana Golf & Country Resort, Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan on Thursday, 26 May 2016 at 11.00 a.m. or any adjournment thereof.

NO.	RESOLUTIONS	FOR	AGAINST
-	To receive the Audited Financial Statements for the year ended 31 December 2015 together with the reports of the Directors and Auditors thereon.	Not applicable	
1.	To re-elect Dato' Yau Kok Seng as Director.		
2.	To re-elect Mr Dillon Tan Yong Chin as Director.		
3.	To re-elect Mr Dion Tan Yong Chien as Director.		
4.	To re-elect Datuk Seri Mohamad Norza Bin Zakaria as Director.		
5.	To re-elect Tan Sri Othman Bin Abd Razak as Director.		
6.	To approve the payment of Directors' fees for the financial year ended 31 December 2015.		
7.	To re-appoint Messrs Ernst & Young as Auditors and to authorise the Directors to fix their remuneration.		
8.	To authorise Directors to issue shares of up to 10% of the issued capital for the time being pursuant to Section 132D of the Companies Act, 1965.		
9.	To renew the authority for the Company to purchase its own shares.		
10.	To renew the authority to issue shares for the purpose of the Dividend Reinvestment Scheme.		

Please indicate with an "X" in the appropriate spaces how you wish your votes to be cast. In the absence of specific directions, your proxy will vote or abstain from voting at his discretion.

<b>No. of shares held</b>
<b>Contact no.</b>

\_\_\_\_\_  
Signature/Seal of Shareholder(s)

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2016

**Notes:-**

- (i) Section 169 of the Companies Act, 1965 requires the Company to lay the audited financial statements and the reports of the directors and the auditors thereon at its annual general meeting. Article 67 of the Company's Articles of Association specifies that one of the ordinary businesses to be transacted at an annual general meeting of the Company is to consider and to adopt the audited financial statements. As such, this agenda item no.1 of the notice convening the meeting is not a business which requires a resolution to be put to vote by the shareholders. This agenda item is for discussion and receipt only.
- (ii) For the purpose of determining a member who shall be entitled to attend this 37<sup>th</sup> Annual General Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Article 62(3) of the Company's Articles of Association and Section 34(1) of the Securities Industry (Central Depositories) Act 1991, to issue a General Meeting Record of Depositors as at 19 May 2016. Only a depositor whose name appears on such Record of Depositors shall be entitled to attend the meeting or appoint proxies to attend and/or vote on his/her behalf in the meeting.
- (iii) A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies (subject always to a maximum of two (2) proxies) to attend, speak and vote in his/her stead. A proxy may but need not be a member of the Company and Section 149(1)(b) of the Companies Act 1965 shall not apply to the Company. There is no restriction as to the qualification of the proxy.
- (iv) Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- (v) Where a member of the Company is an exempt authorised nominee (as defined under the Securities Industry (Central Depositories) Act 1991) which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**Omnibus Account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.
- (vi) To be valid, the instrument appointing a proxy or proxies under the hand of the appointer or his/her attorney duly authorised in writing must be completed and deposited at the Company's Registered Office situated at Lot LG-A1, Lower Ground Floor, Tropicana City Mall, No. 3, Jalan SS 20/27, 47400 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than 48 hours before the time set for holding the meeting or at any adjournment thereof.
- (vii) If the appointer is a corporation, the instrument appointing a proxy or proxies must be executed under its seal or under the hand of its duly authorised attorney.

Please fold here

**AFFIX  
STAMP**

**THE COMPANY SECRETARY**  
**TROPICANA CORPORATION BERHAD** (47908-K)  
Lot LG-A1, Lower Ground Floor  
Tropicana City Mall  
No. 3, Jalan SS 20/27  
47400 Petaling Jaya  
Selangor Darul Ehsan  
Malaysia

Please fold here





**TROPICANA CORPORATION BERHAD** (47908-K)

Level 7, 9, 10, 11 & 12  
Tropicana City Office Tower  
No 3, Jalan SS 20/27, 47400 Petaling Jaya  
Selangor Darul Ehsan, Malaysia

**Tel** : 03 7710 1018

**Fax** : 03 7710 1025

**[www.tropicanacorp.com.my](http://www.tropicanacorp.com.my)**

To all the Shareholders of TROPICANA CORPORATION BERHAD,

Dear Sirs,

**ERRATA TO THE ANNUAL REPORT 2015**

We wish to draw your attention to the following inadvertent errors in the Annual Report 2015 of Tropicana Corporation Berhad:-

**Page 67, Statement on Corporate Governance**

The attendance record of Dato' Gan Nyap Liou @ Gan Nyap Liow, a Director of the Company, at the Board of Directors' meetings held during the financial year ended 31 December 2015 is erroneously stated as 4 out of 6 Board meetings. His attendance should read as follows:-

Names of Directors	Attendance*
" Dato' Gan Nyap Liou @ Gan Nyap Liow	6/6 "

*\*Number of meetings attended / Number of meetings held during his tenure as Director*

**Page 222, Notice of Annual General Meeting**

The words, "by rotation", should be eliminated from the sentence and it should read as follows:-

" 3. To re-elect the following Directors who retire in accordance with Article 103 of the Company's Articles of Association and, being eligible, have offered themselves for re-election:-

3.1	Mr Dion Tan Yong Chien	Ordinary Resolution 3
3.2	Datuk Seri Mohamad Norza Bin Zakaria	Ordinary Resolution 4
3.3	Tan Sri Othman Bin Abd Razak	Ordinary Resolution 5 "

We apologise for any inconveniences caused.

By order of the Board

TEH PENG PENG (MAICSA 7021299)  
Company Secretary

Petalong Jaya  
24 May 2016